SENATE

THURSDAY, MAY 17, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Dr. Oswald C. J. Hoffmann, of the Lutheran Church (Missouri Synod), New York, N. Y., offered the following prayer:

Lord God, Heavenly Father, the author and giver of all good things, we turn to Thee for guidance, help, strength, and moral courage to conduct the affairs of state with wisdom and rectitude. Direct the course of our country and of the world, we beseech Thee, in accordance with Thy will. Take away whatever hinders the nations from unity and concord. Prosper all counsels which make for the establishment and continuance of a rightful peace.

Look in pity upon the peoples of the earth who suffer under political oppression. Grant them in Thy good time the blessing of freedom and liberty to live without fear as those who have been endowed with heaven-sent rights by Thy creative power, and have been redeemed to be Thy children through the loving sacrifice of Thy son, Jesus Christ.

We offer special petitions for our friends in Norway, who this day commemorate the achievement of their national independence. Grant them a stable and prospering national life that is mindful of Thy fear and favor.

For our own land, we ask Thee, gracious God, to show us what we ought to do, and to give us the insight and power to do it, that we may not turn aside Thy gracious designs by willfulness or passion. Because we put our whole trust only in Thy mercy, be with us, as Thou hast been with our fathers in former days, so that all men everywhere may know that Thou art our helper and deliverer. Through Jesus Christ, our strength and our Redeemer. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 16, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations, the Internal Security Subcommittee of the Committee on the Judiciary, and the Armed Services Subcommittee Investigating the Air Force were authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS AT 12:20 O'CLOCK P. M., TODAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate stand in recess at 12:20 o'clock today, subject to the call of the Chair, in order that we may proceed to the Hall of the House of Representatives to hear President Sukarno, of Indonesia.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON OVEROBLIGATIONS OF APPROPRIATIONS

A letter from the Administrator, Veterans' Administration, Washington, D. C., reporting, pursuant to law, on the overobligations of certain appropriations; to the Committee on Appropriations.

AMENDMENT OF FEDERAL DEPOSIT INSURANCE ACT, RELATING TO SAFEGUARDS AGAINST CERTAIN MERGERS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidations of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking (with accompanying papers); to the Committee on Banking and Currency.

IMPLEMENTATION OF A TREATY AND AGREEMENT WITH PANAMA

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to implement a treaty and agreement with the Republic of Panama, by transferring certain property to the Republic of Panama, amending the Classification Act of 1949, as amended, adjusting the fiscal obligations of the Panama Canal Company, and by other provisions (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

FEDERAL POLLUTION CONTROL PROGRAM—PETITION

The PRESIDENT pro tempore laid before the Senate a telegram from the northeast division of the American Fisheries Society, signed by Harry Van Meter, secretary, Pittsburgh, Pa., embodying a resolution adopted by that society, favoring the enactment of legislation to extend and strengthen the existing Federal pollution control program, which was referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PAYNE, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 2379. A bill to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry (Rept. No. 2014).

By Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3449. A bill relating to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment (Rept. No. 2015).

FISHERIES ACT OF 1956 (S. REPT. NO. 2017)

Mr. MAGNUSON. Mr. President, from the Committee on Interstate and Foreign Commerce, I submit a unanimous favorable report, with amendments on the bill (S. 3275) to establish a sound and comprehensive national policy with respect to the development, conservation for preservation, management and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes, designated as the Fisheries Act of 1956. The bill is the result of almost a year's work on the part of myself and the other members of the committee. Hearings were held on both coasts and along the gulf, relating to the entire commercial fisheries problem. The bill is sponsored by more than 30 Senators. Much has been said about it.

I ask unanimous consent to have printed in the RECORD the names of the organizations which have endorsed the bill as it now stands, together with the names of the persons in the industry represented.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The list of names referred to is as follows:

LISTINGS OF ORGANIZATIONS AND INDIVIDUALS WHO HAVE ADVOCATED AND ENDORSED THE AMENDED SUBSTITUTE S. 3275

(Name of organization or person and number of persons in industry represented)

United States Senators; 28 cosponsors of bill. Others have indicated support.

United States Representatives and Delegate from Alaska; 15 separate House bills introduced. House Members awaiting action by Senate.

Alaska Territorial Fisheries Board; 5 members.

California State Legislative Council.

Louisiana State Wild Life and Fisheries Commission.

Mayor and special fisheries advisory council, city of Gloucester, Mass.

Alaska Fishermen's Union; 3,700 industry workers.

Vessel Owners and Fishermen from Juneau, Hoonah, Angoon, Sitka and Pelican, Alaska; 350 fishermen.

Bering Sea Fishermen's Union; 1,200 fishermen.

Fishermen's Marketing Association of Washington; 100 trawler vessel owners.

North Pacific Fisheries Association, Inc., Seattle, Wash.; 800 fishermen.

Puget Sound Purse Seiners Association, 170 vessel owners.

Puget Sound Gill Netters Association; 750 fishermen and boatowners.

Puget Sound Drum Seiners Association; 25 vessel owners.

Fishermen's Cooperative Association, Seattle, Wash.; 350 trawling vessel owners.

Deep Sea Fishermen's Union of the Pacific; 800 fishermen.

Southeastern Alaska Purse Seine Vessel Owners' Association; 48 vessel owners.

Wakefield Fisheries; operators of King Crab Fisheries, Bering Sea.

Rocky Mountain Trout Farmers, Inc.; 20 members.

Maine Sardine Packers Association, Inc.; 34 members.

Southeastern Alaska Seine Boat Owners Association.

Tacoma Shipbuilders Association, Tacoma, Wash.; 11 shipbuilding concerns, builders of modern fishing vessels.

The Texas Shrimp Association, Brownsville, Tex.

Massachusetts Fisheries, Boston, Mass.

International Longshoremen's Union, Washington, D. C.; 7,500 fishermen.

Toledo Commercial Fishermen's Cooperative, Curtice, Ohio.

Oyster Institute of North America, Annapolis, Md., 500 members Pacific and Atlantic oyster growers.

Sea Food Producers Association, New Bedford, Mass.

Fishermen's Cooperative Association of San Pedro, Calif.; 140 purse seine vessel owners representing 1,400 fishermen.

American Tuna Boat Association; 165 tuna clipper owners.

Fishermen's Union, Local No. 33, affiliated with the International Longshoremen and Warehousemen's Union, San Pedro, Calif.; 1,000 fishermen.

Cannery Workers and Fishermen's Union of San Diego, Calif., and International Association of Machinists, Lodge No. 389, AFL–CIO, San Diego, Calif.; 2,050 fishermen.

San Diego and San Pedro Tuna Fishermen's Wives Association; 3,000 fishermen's wives.

Halibut and Puget Sound Gill Net Fishermen's Wives Association, Washington State; 1,000 fishermen's wives.

California Canners Association, Inc.; representing 13 independent canneries in California.

National Fisheries Institute; representing 600 fish processor and marketing concerns in all sections of the United States.

AFL–CIO Seine Line Fishermen's Union, Los Angeles, Calif.

Ketchikan, Alaska, Chamber of Commerce.

Fishermen's Cooperative Auxiliary, San Pedro, Calif.

Commercial Fishermen's Fraternity Society, California, Oregon, Washington, and Alaska; 600 members.

Northwest Reefer Association; 15 refrigerated vessel owners.

F. E. Booth Co., Inc.; fisheries marketing concern, Atlantic and Pacific coasts.

Petersburg Vessel Owners Association, Petersburg, Alaska.

James Sullivan, president, San Diego Harbor Association; San Diego Port Authority.

Bernard Lorino, Hendrix Fish Market, Houston, Tex.

A. Powers, Dorchester, Mass.; fisherman.

Atlantic Lobstermen's Cooperative Association, Saugus, Mass.

Rio Grande Shrimp Fishermen's Association, Brownsville, Tex.

Tom Swensen, Kodiak, Alaska; independent fisherman.

Tim Panamaroff, Kodiak, Alaska; independent fisherman.

Fairbanks, Morse & Co., Seattle, Wash.; makers of diesel engines.

Chase Seafood Co., Everett, Wash.; fish packers.

East End Fishermen's Association, New Orleans, La.; 287 members.

A. J. Wegman, Pass Christian, Miss.

Mr. MAGNUSON. I ask unanimous consent that the bill, as proposed to be amended, may be printed in the RECORD, so that all may know what it contains.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 3275) is as follows:

Be it enacted, etc., That this act may be cited as the "Fisheries Act of 1956."

DECLARATION OF POLICY

SEC. 2. The Congress hereby declares that fish and shellfish resources make a material contribution to the food supply, health, recreation, and well-being of our citizens. They are a living, renewable form of national wealth, capable of being maintained and greatly increased with proper attention, but equally capable of destruction if neglected. The fisheries dependent upon them have occupied an important place in the economy of the Nation since its colonial beginnings. They give employment, directly or indirectly, to a substantial number of citizens. They attract all segments of the citizenry to outdoors, healthful, stimulating recreation in every part of the Nation. They furnish a large quantity of protein food. Their byproducts have a wide variety of essential uses in the arts, industry, and agriculture. They strengthen the defense of the United States through the provision of a trained seafaring citizenry and action-ready fleets of seaworthy vessels. Properly developed, the fisheries are capable of steadily increasing these valuable contributions to the life of the Nation. The Congress further declares that the provisions of this act are necessary in order to accomplish the objective of such proper development and that this act shall be administered with due regard to the inherent right of every citizen and resident of the United States to engage in fishing for his own pleasure, enjoyment, and betterment, and with the intent of stimulating the development of a strong, prosperous, efficient, and thriving fishery and fish processing industry.

FISHERY REORGANIZATION WITHIN THE DEPARTMENT OF THE INTERIOR

SEC. 3. (a) There is hereby established within the Department of the Interior a division of such department to be known as the Fisheries Division of the Department of the Interior. The administrative functions of such Division shall be administered under the direction and supervision of the Secretary of the Interior (hereinafter referred to as the "Secretary") by the Chairman of the United States Fisheries Commission created by section 4 of this act in his capacity as Assistant Secretary of the Interior for Fisheries.

(b) (1) All functions, powers, duties, and authority of the Fish and Wildlife Service of the Department of the Interior as are determined by the Secretary to relate primarily to fish, fisheries, whales, hairseals, sea lions, and related matters, together with those funds, liabilities, commitments, authorizations, allocations, personnel, and records of the Fish and Wildlife Service which the Secretary of the Interior shall determine to be primarily related to and necessary for the exercise of such functions, powers, duties, and authority, are hereby transferred to the Fisheries Division of the Department of the Interior, established by this section.

(2) In addition to the functions, powers, duties, and authority transferred to the Fisheries Division under paragraph (1) of this subsection, the Secretary shall exercise through such Division all functions, powers, duties, and authority conferred upon him under the provisions of this act.

(c) The Fish and Wildlife Service of the Department of the Interior shall hereafter be known as the Wildlife Service of the Department of the Interior. The Director and Assistant Directors of the Fish and Wildlife Service shall hereafter be known, respectively, as the Director and Assistant Directors of the Wildlife Service.

(d) The Secretary shall conduct continuing investigations, prepare and disseminate information, and make periodical reports to the public, to the President, and to Congress, with respect to the following matters:

(1) The production and flow to market of fish and fishery products domestically produced and also those produced by foreign producers which affect the domestic fisheries;

(2) The availability and abundance of the living resources which support the domestic fisheries;

(3) The competitive economic position of the various fish and fishery products with respect to each other, to competitive foreign-produced commodities, and to other competitive commodities;

(4) The collection and dissemination of statistics on food and recreational fisheries; and

(5) Any other matters which in the judgment of the Secretary or the United States Fisheries Commission created by section 4 of this act are of public interest in connection with any phases of fisheries operations.

(e) There are hereby transferred to the Secretary all administrative functions of the Secretary of Agriculture, the Secretary of Commerce, and the head of any other department or agency as are determined by the Director of the Bureau of the Budget to relate primarily to the development, advancement, management, conservation, and protection of fisheries; but nothing in this section shall be construed to modify the authority of the Department of State or the Secretary of State to negotiate or enter into any international agreements or conventions with respect to the development, management, or protection of any fisheries resources or with respect to international fisheries commissions operating under conventions to which the United States is a party.

(f) There are hereby transferred to the Department of the Interior so much of the personnel, property, facilities, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) as the Director of the Bureau of the Budget determines to be necessary in connection with the exercise of the functions transferred to the Secretary by section (e) of this section.

(g) The Secretary may request and secure the advice or assistance of any department or agency of the Government in carrying out the provisions of this act, and any such department or agency which furnishes advice or assistance to the Secretary may expend its own funds for such purposes, with

or without reimbursement from the Secretary as may be agreed upon between the Secretary and the department or agency.

UNITED STATES FISHERIES COMMISSION

SEC. 4. (a) There is hereby created within the Department of the Interior, and responsible directly to the Secretary, an agency of the Government to be known as the United States Fisheries Commission (hereinafter referred to as the "Commission") which shall be composed of five members to be appointed by the President, by and with the advice and consent of the Senate. One of such members shall be designated at the time of nomination as Chairman of the Commission, and shall also administer the Fisheries Division as Assistant Secretary of the Interior for Fisheries. Each such member shall hold office for a term of 5 years, except that the terms of office of the members first appointed shall expire, as designated by the President at the time of nomination, as follows: 1 on January 1, 1957, 1 on January 1, 1958, 1 on January 1, 1959, 1 on January 1, 1960, and 1 on January 1, 1961. At least 2 members of the Commission shall be appointed from the area east and 2 from the area west of the Mississippi River. A vacancy in the membership of the Commission shall not affect the power of the remaining members to exercise the functions of the Commission, and shall be filled in the same manner as in the case of the original appointment, except that any person appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessor. Not more than three members of the Commission shall be members of the same political party. Three members of the Commission shall constitute a quorum. The Chairman of the Commission shall receive compensation at the rate of $20,000 per annum and each member of the Commission other than the Chairman shall receive compensation at the rate of $18,000 per annum.

(b) Not less than three members of the Commission shall have practical knowledge of fishing conditions and of the problems confronting the fisheries.

(c) The primary responsibility of the Commission shall be the formulation of all policies necessary in the administration by the Department of the Interior, including the Fisheries Division created by section 3 of this act, of the laws relating to fishing and fisheries. The Commission shall also—

(1) develop and recommend measures which are appropriate to assure the maximum sustainable production of fish and fishery products and to prevent unnecessary and excessive fluctuations in such production;

(2) on the basis of reports prepared by the Secretary in the exercise of his functions under this act and other information available to the Commission study the economic condition of the industry, and whenever it determines that any segment of the domestic fisheries has been seriously disturbed either by wide fluctuation in the abundance of the resource supporting it, or by unstable market or fishing conditions from any cause, the Commission shall make such recommendations to the President and the Congress through the Secretary with respect to credit relief and other measures as it deems appropriate to aid in stabilizing the domestic fisheries;

(3) develop and recommend to the Secretary special promotional and informational activities with a view to stimulating the consumption of fishery products whenever it determines that there is a prospective or actual surplus of such products; and

(4) keep under continuous review the activities of the Fisheries Division with regard to development, advancement, management, conservation, and protection of the fisheries and recommend changes, modifications, or variations in such activities to conform to policies developed by the Commission.

(d) The Commission shall cooperate to the fullest practicable extent with the Secretary of State in providing representation at all meetings and conferences relating to fisheries in which representatives of the United States and foreign countries participate. The Secretary of State shall designate at least one member of the Commission to the United States delegation attending such meetings and conferences, and to the negotiating team of any such delegation.

(e) The Secretary of State and all other officials having responsibilities in the fields of technical and economic aid to foreign nations shall consult with the Secretary and the Commission in all cases in which the interests of fisheries are involved, with a view to assuring that such interests are adequately represented at all times.

(f) Notwithstanding any other provision of law, the Commission shall be represented in all international negotiations conducted by the United States pursuant to section 350 of the Tariff Act of 1930, as amended, in any case in which fishery products are directly affected by such negotiations.

(g) The Commission may request and secure the advice or assistance of any department or agency of the Government, and any such department or agency which furnishes advice or assistance to the Commission may expend its own funds for such purposes, with or without reimbursement from the Commission as may be agreed upon between the Commission and the department or agency.

(h) The Commission shall consult periodically with the various governmental, private nonprofit, and other organizations and agencies which have to do with any phase of fisheries with respect to any problems that may arise in connection with such fisheries.

(i) The Commission shall make an annual report to the Congress with respect to its activities under this act, and shall make such recommendations for additional legislation as it deems necessary.

(j) The Commission is authorized to make a report to the President and the Congress through the Secretary concerning the following matters with respect to any fishery product which is imported into the United States, upon a request from any segment of the domestic industry producing a like or directly competitive product—

(1) whether there has been a downward trend in the production, employment in the production, or prices, or a decline in the sales, of the like or directly competitive product by the domestic industry; and

(2) whether there has been an increase in the imports of the fishery product into the United States, either actual or relative to the production of the like or directly competitive product produced by the domestic industry.

(k) There are hereby transferred to the Commission all policy functions of the Secretary of Agriculture, the Secretary of Commerce, and the head of any other department or agency as are determined by the Director of the Bureau of the Budget to relate primarily to the development, advancement, management, conservation, and protection of fisheries; but nothing in this section shall be construed to modify the authority of the Department of State or the Secretary of State to negotiate or enter into any international agreements or conventions with respect to the development, management, or protection of any fisheries resources or with respect to international fisheries commissions operating under conventions to which the United States is a party.

(l) There are hereby transferred to the Commission so much of the personnel, property, facilities, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) as the Director of the Bureau of the Budget determines to be necessary in connection with the exercise of the functions transferred to the Commission by subsection (k) of this section.

RELATIONSHIP BETWEEN FISHERIES DIVISION AND THE UNITED STATES FISHERIES COMMISSION

SEC. 5. The Fisheries Division shall be an administrative organization and the Commission shall be a policymaking body. Both agencies shall work in close cooperation and the personnel and facilities of the Fisheries Division shall be available for the requirements of the Commission.

THE RIGHTS OF STATES

SEC. 6. Nothing in this act shall be construed (1) to interfere in any manner with the rights of any State under the Submerged Lands Act (Public Law 31, 83d Cong.) or otherwise provided by law, or to supersede any regulatory authority over fisheries exercised by the States either individually or under interstate compacts; or (2) to interfere in any manner with the authority exercised by any international commission established under any treaty or convention to which the United States is a party.

AUTHORIZATION FOR APPROPRIATION

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that in addition to myself and the Senator from California [Mr. KUCHEL], the names of Senators PAYNE, SALTONSTALL, BEALL, GEORGE, HUMPHREY, KNOWLAND, SCHOEPPEL, BUSH, BUTLER, CHAVEZ, DUFF, EASTLAND, FLANDERS, GREEN, HILL, JACKSON, JOHNSTON of South Carolina, KEFAUVER, KENNEDY, LEHMAN, MALONE, MURRAY, PASTORE, PURTELL, SMATHERS, SPARKMAN, STENNIS, MANSFIELD, IVES, BIBLE, MONRONEY, NEUBERGER, and POTTER may be added as additional cosponsors of Senate bill 3275, just reported by me, from the Committee on Interstate and Foreign Commerce.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT ENTITLED "OVERCROWDING AT WASHINGTON NATIONAL AIRPORT AND THE NEED FOR AN ADDITIONAL AIRPORT FOR THE NATIONAL CAPITAL" (S. REPT. NO. 2016)

Mr. MONRONEY. Mr. President, I submit herewith the report of the Committee on Interstate and Foreign Commerce concerning the overcrowding at the Washington National Airport and the need for an additional airport for the National Capital.

This report is signed by 10 members of the committee and includes, in addition to the committee's report, individual views of the other members of the committee.

I ask unanimous consent that the additional views of those Senators be printed with the report.

The PRESIDENT pro tempore. The report, together with individual views, will be received and printed, as requested by the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, away back in 1950, the Congress passed Public Law 762 of the 81st Congress, which directed and authorized the Secretary of Commerce to build an additional airport in, or in the vicinity of,

the District of Columbia. This act was signed by the President on September 7, 1950.

Shortly thereafter, funds were appropriated, and the Department of Commerce, through the Civil Aeronautics Administration, proceeded to survey this general area, in order to locate the best available site. The area near Burke, Va., in Fairfax County, was selected as the ideal location. Property purchases of about $1 million were started, and preliminary engineering work was done.

When the Department of Commerce asked for additional funds the following year, the Appropriations Committees of the Congress failed to make such funds available for that year, and the project has lain dormant since that time.

In the meanwhile there has been a tremendous increase in traffic and congestion at the Washington National Airport. As an example, in 1954 there were a total of 202,000 operations at the airport, and that number increased to 242,000 the following year. I have been informed that the traffic count for the year 1956 will be even greater.

In July of last year the Aviation Subcommittee, of which I am chairman, was requested by the committee to hold hearings and inquire into what action, if any, with respect to the airport situation, was contemplated by the Department of Commerce. Extensive hearings were held, and evidence which was presented indicated that the traffic was so dense and was increasing at such a rate that some action was highly necessary in the interests of safety. The subcommittee's report was adopted by the full committee and was published on July 29, 1955. The committee rejected the suggestion of the Secretary of Commerce for a tristate authority as being too time consuming, and recommended that the Department of Commerce request at the earliest possible moment funds with which to commence construction of an additional airport. The committee pointed out at the time that it was the responsibility of the Secretary of Commerce to determine whether to proceed at the site in the vicinity of Burke, Va., or to make another selection—Senate Report No. 1265, 84th Congress, 1st session. The Secretary of Commerce was requested to report on the opening day of the second session to the committee what he had decided and what he had accomplished.

We thought our report was clear and impossible to misunderstand. However, in a report dated December 1955 and submitted to the committee on January 3, 1956, the Secretary indicated that there were two alternatives for a second Washington airport, and requested the committee to make the decision. The first choice of the Department was the joint use of Andrews Air Force Base, with the site in the vicinity of Burke, Va., as a second choice. The Department again discussed public-authority financing, in the face of the previous report from the committee, which stated that such financing should not delay the commencement of construction.

An additional hearing was held and appropriate officials from the United States Air Force, the Air Transportation Association of America, and the Air Line Pilots Association testified. All were unanimous in agreeing on an airport in the vicinity of Burke, Va.

From the testimony presented, it appeared that the Department of Commerce had not discussed with the Department of Defense the problem of the joint use of Andrews Air Force Base, and the Air Force spokesman, speaking for the Department of Defense, advised that the exclusive use of Andrews Air Force Base was required in order to meet the mission of air defense in this area. He stated that it was a key air-defense base.

But all this and much more is contained in the report I am submitting. It is the consensus of the committee that the Department of Commerce should proceed as rapidly as possible to supply the second airport for Washington. Almost 6 years have passed since the enabling act was signed by the President, and in that period the need for the second airport has increased tremendously.

It is the hope of the committee that the Department of Commerce will promptly request of the Congress additional funds with which to proceed with the construction.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

Mrs. SMITH of Maine. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of Gen. Walter Bedell Smith for a new 5-year term as a member of the National Security Training Commission; Lt. Gen. Cortlandt Van Rensselaer Schuyler to have the grade of general in his assignment as chief of staff to the Supreme Headquarters, Allied Powers in Europe; and of Brig. Gen. Harry Wells Crandall for appointment as Chief of Finance in the Army with the grade of major general. In addition to the above, there are 6 major generals and 20 brigadier generals in the Army Reserve, 9 major generals and 10 brigadier generals for temporary appointment in the Army, and special assignments of 1 admiral and 3 vice admirals in the Navy. Also included are the nominations of Adm. William M. Fechteler to be placed on the retired list with the rank of admiral and Gen. Anthony C. McAuliffe to be placed on the retired list in the grade of general. I ask that these nominations be placed on the Executive Calendar.

The PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar, as requested by the Senator from Maine.

The nominations are as follows:

Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission;

Lt. Gen. Cortlandt Van Rensselaer Schuyler, Army of the United States (major general, United States Army), to be assigned to a position of importance and responsibility designated by the President;

Brig. Gen. Harry Wells Crandall, Army of the United States (colonel, United States Army), for appointment as Chief of Finance, United States Army, as major general in the Regular Army of the United States, and as major general (temporary), the Army of the United States;

Brig. Gen. Henry Kimmell Fluck, and sundry other officers, for promotion as Reserve commissioned officers of the Army;

Vice Adm. Robert P. Briscoe, United States Navy, for commands and other duties determined by the President, with the rank of admiral;

Vice Adm. William M. Callaghan, and Rear Adm. Carl F. Espe, United States Navy, for commands and other duties determined by the President, with the rank of vice admiral;

Adm. William M. Fechteler, United States Navy, when retired, to have the rank of admiral;

Gen. Anthony Clement McAuliffe, Army of the United States (major general, United States Army), to be placed on the retired list in the grade of general; and

Brig. Gen. Conrad Stanton Babcock and sundry other officers for temporary appointment in the Army of the United States.

Mrs. SMITH of Maine. In addition, as in executive session, from the Committee on Armed Services, I report favorably 1,832 nominations in grades below those of flag and general officers involving temporary and permanent appointments in the Army, Navy, Marine Corps, and Air Force. Included among these are the appointments as second lieutenants in the Army of the United States of 357 graduates of the United States Military Academy and also the appointment of a group of Military Academy cadets and Naval Academy midshipmen as second lieutenants in the Regular Air Force. All of these names have already appeared in the CONGRESSIONAL RECORD, so to save the expense of printing on the Executive Calendar I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDENT pro tempore. The nominations will lie on the desk, as requested by the Senator from Maine.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3869. A bill for the relief of Donald S. Beckwith; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3870. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. CLEMENTS when he introduced the above bill, which appear under a separate heading.)

By Mr. GREEN:

S. 3871. A bill to establish the principle of a basic single salary wage scale in the Canal Zone for civilian officers and employees

in the Federal Service; to the Committee on Post Office and Civil Service.

By Mr. DWORSHAK (for himself and Mr. WELKER):

S. 3872. A bill for the relief of Lorenzo Uturbe, Eusibio Asla, and Pedra Zabala; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. MURRAY, and Mr. IVES):

S. 3873. A bill to provide for registration, reporting and disclosure of employee welfare and pension benefit plans; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. MONRONEY (for himself and Mr. KERR):

S. 3874. A bill to provide for the transfer and sale of certain lands of the Kaw Tribe of Indians located in the State of Oklahoma, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 3875. A bill to amend section 4 (a) of the Vocational Rehabilitation Act, as amended; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 3876. A bill to amend the Refugee Relief Act of 1953; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 3877. A bill to promote the development and rehabilitation of the coastwise trade, to encourage the construction of new vessels, and for other purposes; to the Committee on Interstate and Foreign Commerce.

PARTICIPATION IN THE 1956 OLYMPIC GAMES

Mr. BUTLER. Mr. President, I submit for appropriate reference, a concurrent resolution relating to American participation in the Olympic Games. I ask unanimous consent that a statement, prepared by me, on the subject of the 1956 Olympic Games, together with the concurrent resolution, may be printed in the RECORD.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, the statement and concurrent resolution will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 78) was received and referred to the Committee on Foreign Relations.

The statement, presented by Mr. BUTLER, is as follows:

STATEMENT BY SENATOR BUTLER

I rise to discuss an extremely important, but greatly underestimated and neglected aspect of our international relations—American participation in the Olympic Games.

I have made speeches before many groups concerning the active participation of volunteer, amateur American athletes in these great international sports classics every four years.

It is not my purpose to impose upon the valuable time of my colleagues by going into the subject too deeply at this time.

However, since I propose to introduce today a resolution for the consideration of the Senate, I would like to review briefly the current situation as it affects the participation of America's young people in the Olympic Games.

I am confident that my distinguished colleagues on both sides of the aisle know the spirit of the Olympic Games, why they are held, and what they seek to accomplish—that they are aware of the immeasurable amount of prestige these international athletic events have brought to our free way of life.

Our young people have enviable records of accomplishment in every field of athletic endeavor. They have been able to so distinguish themselves because they are athletes in the purest sense of the word.

They have voluntarily participated in these sports affairs.

They are amateurs.

They compete for the pure sport of it.

They participate for individual, personal achievement—not for pay, or to advance the political cause of the United States.

They religiously follow every requirement imposed by international Olympic rules and regulations.

Who among us can forget the celebrated case of James Thorpe?

Thorpe was an American Indian who participated in the Olympic Games at Stockholm, Sweden, in 1912. He won both the pentathlon and the decathlon. He was hailed as the world's greatest living athlete. In 1913, however, it was discovered that Thorpe had taken a small sum of money for playing baseball before the Olympics.

What happened to the "world's greatest living athlete" for accepting money and thereby theoretically removing himself from the ranks of the amateurs?

Bill Henry, on pages 121 and 122 of his book, "History of Olympic Games," writes—and I quote "* * * Thorpe was shorn of his glory by the officials of his own country, his trophies were awarded to the man who had won second place in the two events, and his records were expunged from the books."

Is not this adequate testimony to the dedication of Americans to the true spirit of the Olympic Games?

Need I offer any greater proof of the lengths to which American athletic officials will go to keep their records clean and honorable?

Another case in point is that of one of our great American athletes of the present day, Wes Santee.

The Wes Santee situation is still fresh in the memories of all sports-minded Americans, and, particularly, in the mind of my distinguished colleague from Kansas, Senator FRANK CARLSON.

Santee is a Kansan whom the people of that great State—and their representatives in this body, Senators SCHOEPPEL and CARLSON—can be rightly proud.

He was graduated from Kansas University and is now a member of the United States Marines. Santee was recently barred for life from his amateur standing by the American Athletic Union. This action makes it impossible for him to participate in this year's Olympic Games. This extremely harsh action—and some well-informed people believe it to be just that—was taken because he accepted more money for his participation in several AAU sponsored meets than the rules permit.

Santee was our best hope in the 1,500-meter or mile run at the Olympic Games to be held during November and December this year at Melbourne, Australia.

But, as in the case of Jim Thorpe, principle and the great Olympic ideal came first with American athletic officials.

Rightly or wrongly—for, I understand there is much merit in the arguments of those who uphold Santee—we have seriously threatened our own chances rather than violate in the slightest sense the underlying principles of the Olympic Games.

We have bent over backward—further, perhaps, than was necessary—to uphold principle.

I mention these cases only to prove that Americans have always—and, pray God, always will—chosen the honorable course; the only course which, in the final analysis, will preserve inviolate our sacred institutions.

There is a great body of irrefutable evidence, however, that the Soviets intend to use every devious and foul trick in the books to prostitute the spirit and ideal of the Olympic Games this year. This they intend to do to prove to the world that they are a superior race of men and women.

I will not further impose upon my colleagues at this time by going into that evidence. It was amply set forth in the CONGRESSIONAL RECORD, volume 101, part 9, page 11213.

As a result of a speech which I made a year ago in Baltimore on this same matter, I became the target of bitter attack by the Soviet newspaper Pravda, and by the Moscow radio. And so, I inserted in the RECORD an unclassified summary entitled, "Evidence of Professionalism in Soviet Sports," prepared by the Research and Intelligence Office of the United States Information Agency.

This article, which I commend to the attention of my colleagues, thoroughly demolishes any claims to honor and decency in the field of amateur athletics which the protesting Russians may choose to make.

Now I realize that in some quarters there has been increased agitation for the Government to step in and, in one manner or another, subsidize our athletes so that we can make a good showing in Melbourne.

There is talk in the House, I understand, that money from the President's Emergency Fund should be used for this purpose.

And Senator Magnuson of Washington, the distinguished Chairman of the Senate Committee on Interstate and Foreign Commerce on which I have the honor to serve, is proposing that we earmark a portion of the 10 percent Federal admissions tax on sports events to help finance our teams.

I do not disagree for one moment that more adequate finances should be forthcoming to finance our athletes.

I do believe, however, that we are treading on dangerous ground when we say that it should come from Government by whatever means. And, I say further, that finances are not our most immediate need.

Government subsidization of our athletes would make them official representatives of the American Government—which they are not.

They are free individuals.

They are, first of all and essentially, voluntary, amateur athletes representing only themselves or their teams.

They compete for personal achievement and the glorification of sportsmanship for its own sake.

They are not wards of the Government, nor are they propagandists for the party in power.

Young people participate in the Olympic Games not as apostles of American Republicanism, or as disciples of British Democracy, or as agents of Swiss Confederationism.

Pierre de Coubertin, who revived the Olympic Games, was insistent that the participants be ambassadors of the International Olympic ideal to their various countries, rather than the delegates of their nations to the International Olympic Games.

This is as it should be.

Therefore, our first and foremost concern should not be how many athletes we are able to send to Melbourne or how many events we are able to win.

In spite of much consternation in many quarters, we have always done amazingly well in both categories without Government intervention.

Rather, our first and foremost concern should be the preservation of the Olympic ideal.

I submit that that ideal cannot be preserved unless those who remain true to it are willing to band together and forbid Russia from participation. Let us not forget that the Soviets would destroy the Olympic Games—as they would any other free insti-

tution—when they no longer served the purposes of international communism.

And if it should prove impossible to prevent Russian participation in the Olympic Games, we should participate only under official protest of the shameful violations of the Olympic ideal by the Soviets.

The purpose of my concurrent resolution is to let the American people know that that is the sense of the United States Senate.

I urge my colleagues to choose the course of honor and give it their unqualified support.

The concurrent resolution (S. Con. Res. 78) submitted by Mr. BUTLER, is as follows:

Whereas the spirit of the international Olympic Games, held every 4 years and open only to amateur athletes of all nations, rules out the slightest taint of professionalism and commercialism on the part of participating athletes, and specific rules and regulations of the International Olympics Committee emphatically forbid such professionalism and commercialism; and

Whereas the Oympic committees of all non-Communist nations have, since the revival of the International Olympic Games in Athens, Greece, in 1896, conscientiously honored this fundamental precept and have abided by these rules and regulations; and

Whereas American athletic committees have scrupulously honored these precepts and consistently complied with these rules and regulations, even when such compliance seriously threatened our success in International Olympic competition, to wit: the case of Wes Santee, Kansas track star, who was stripped of his amateur ranking for life by the American Athletic Union for allegedly having accepted more money than the rules permitted for travel expenses to various track meets; and

Whereas there is ample proof, to wit: the testimony of International Olympics Committee president Avery Brundage, former Russian athlete and Russian Intelligence Officer Yuri A. Rastvorov, newspaper publisher William Randolph Hearst, Jr., and others, that Soviet Russia has expended billions of rubles in building up a mass army of professional athletes, who are not amateurs in any sense of the word, to participate in International Olympic competition, and that Soviet Russia is in various and sundry other ways flagrantly violating other basic rules of the International Olympic Games; and

Whereas Russian athletes are, in reality, only human weapons in the Communist conspiracy's cold-war arsenal to be ruthlessly used in the Soviet drive for supremacy in every phase of human existence; and

Whereas it would be tantamount to selling out our youth to pit them, without a protest and at a criminally unfair disadvantage, against Russian professionals in the Olympic Games to be held this year at Melbourne, Australia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that American athletic committees should do everything humanly possible to effect the disbarment of Russian professional athletes from the 1956 Olympic Games, and that said committees should actively solicit in this undertaking the cooperation of all other participating nations outside the Iron Curtain; and, be it further

Resolved, That it is the sense of the Congress, that in the event such cooperation of non-Communist nations and/or such disbarment of Russian professional athletes from the 1956 Olympic Games shall have been found to be unattainable, the athletic committees of the United States should participate in the 1956 Olympic Games only under official protest of the wanton violation by Soviet Russia of the spirit and rules of the International Olympic Games, and that copies of this resolution setting forth the sense of the United States Senate and House of Representatives be sent to the officials in charge of United States participation in the Olympic Games.

STUDY OF RATIFICATION OF INTERGOVERNMENTAL MARITIME CONSULTATIVE ORGANIZATION

Mr. MANSFIELD. Mr. President, on March 6, 1948, the Convention of the Intergovernmental Maritime Consultative Organization—IMCO—was signed at Geneva. As my colleagues here in the Senate know, IMCO is an international organization which would function under the United Nations as its specialized agency in the field of shipping. The United States ratified this Convention in July 1950.

The Organization will not come into being until ratification by 21 countries of which 7 must have 1 million gross tons of merchant shipping. To date only 17 countries have deposited their acceptances with the United Nations, in light of the recent withdrawal by Greece. Only 4 of the 7 nations with the necessary tonnage of shipping have ratified the Convention.

The Scandinavian countries have given notice that they will remain out of IMCO until there is a reorganization, they object to the economic sanction provisions. In addition there are a number of maritime nations who are remaining uncommitted.

The elimination of economic authority, would, according to all indications at hand, solve a number of the problems and the major maritime nations who are not now in IMCO would be willing to come in, giving the organization the necessary basic structure to begin an effective operation. The activities of the organization would be limited to technical and safety matters.

International action on a number of technical maritime matters has been deferred in recent years pending establishment of the IMCO facility. The modification of the IMCO Convention could result in rapid materialization of an intergovernmental maritime organization to function under the United Nations in the technical and safety fields.

In view of these circumstances I submit, for appropriate reference, a resolution authorizing the Senate Foreign Relations Committee to make a full and complete study of the ratification of the Intergovernmental Maritime Consultative Organization.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 268) was received and referred to the Committee on Foreign Relations, as follows:

Resolved, That the Senate Foreign Relations Committee, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study of the ratification of the Intergovernmental Maritime Consultative Organization (IMCO).

Whereas the United Nations Organization has recently announced withdrawal of the Instrument of Ratification of IMCO by the Government of Greece, and other maritime nations have previously recorded they could not participate in the IMCO as presently constituted;

Whereas 8 years have passed since the drafting of the IMCO Convention and it has been accepted by only 4 of the 15 countries having the largest merchant shipping tonnage, including the Government of the United States;

Resolved, That a study would appear desirable to ascertain whether the present ratification status of IMCO could be detrimental to the best interests of the United States; said study to be made by the Foreign Relations Committee of the United States Senate.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT RELATING TO CERTAIN TYPES OF EMPLOYMENT

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference, a bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment.

Under existing law any employee the duties of whose position are primarily the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal law of the United States, attaining the age of 50 and completing 20 years of service who voluntarily retires from the service, can be paid an annuity computed in recognition of the hazardous type of service he has been called upon to perform. The Congress, in first enacting this provision, directed the agency affected, and the Civil Service Commission, to give consideration to the degree of hazard to which such employee is subjected in the performance of his duties rather than the general duties of the class of the position held by such employee. By administrative decision, psychiatric aides and correctional security officers in the Public Health Service hospitals treating mental and narcotic addiction cases have been denied the benefits of this provision. The bill I introduce would make it unequivocally clear that such persons engaged in detention-type activities should be included in this group for the purposes of computing retirement eligibility and benefits under the Civil Service Retirement Act.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3870) to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment, introduced by Mr. CLEMENTS, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

WELFARE AND PENSION PLANS DISCLOSURE ACT

Mr. DOUGLAS. Mr. President, I am about to introduce a bill and I ask unanimous consent to speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Illinois may proceed.

Mr. DOUGLAS. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY], the Senator from New York [Mr. IVES], and myself, I introduce, for appropriate reference, a bill to provide

for the registration, reporting, and disclosure of employee welfare and pension benefit plans.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3873) to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans, introduced by Mr. DOUGLAS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. DOUGLAS. This bill, Mr. President, has been drafted along the lines of the recommendations of the final report of the Subcommittee on Welfare and Pension Funds, which conducted an extensive investigation of this subject beginning in 1954, under the chairmanship of the Senator from New York, and continuing in 1955 and 1956 with the Senator from Illinois as chairman.

The findings and recommendations of the report were summarized briefly in the Senate by the Senator from Illinois on April 16, 1956, at the time of the transmittal of the report to the Senate.

These remarks appear on pages 5625 to 5627 of the CONGRESSIONAL RECORD.

REGISTRATION

The bill introduced today requires, in the first place, registration by all types of employee welfare and pension benefit plans covering 25 or more employees. This registration would provide basic, minimum data concerning each plan to permit its identification and classification.

REPORTING

For every plan which, with closely related plans, covers 100 or more employees, the bill, in the second place, requires the filing of annual reports. These reporting provisions are the real heart of the measure.

These annual reports would include full legal and financial data, as specifically provided in section 6 of the bill, and would be based upon an audit by an independent accountant. The bill requires, among other things, information concerning contributions, benefits paid, expenses, salaries and fees, reserves, and so forth. If benefits are provided by an insurance carrier, the required data includes premiums paid, claims incurred and paid, dividends, commissions, fees, retentions, and so forth. In the case of pension plans, or welfare plans which have a reserve fund, the report would include summary data concerning these reserves and their investment, and detailed information on (a) all investments in properties of any party in interest, (b) any investment in one security which exceeds 5 percent of the fund, and (c) any investment in one security which exceeds 10 percent of the outstanding securities of that issue.

SECURITIES AND EXCHANGE COMMISSION TO ADMINISTER

The agency charged with administration of the act under this bill would be the Securities and Exchange Commission, although the subcommittee found this allocation of responsibility its most difficult decision. This agency would be given discretion to require reporting by plans covering from 25 to 100 employees, if necessary to accomplish the objectives of the bill.

DISCLOSURE

Disclosure of the information in the annual report, in the third place, would be required by making copies available to beneficiaries and other interested parties at the office of the plan, and to the public generally, in the public documents room of the agency. In addition, summary data from the report as prescribed by the agency would have to be furnished to the beneficiaries.

ADVISORY COUNCIL

The bill sets up an Advisory Council drawn from insurance, banking, management, labor, related Government agencies, and the general public.

ENFORCEMENT

The administrative agency is empowered to make investigations and apply for court orders to secure compliance with the law. Criminal penalties are provided for those who willfully violate the law, who knowingly make false statements, and who embezzle moneys from any fund.

THREE-YEAR TERM

The bill provides that the act shall be effective for 3 years. The administering agency would be required to file, on or before January 1, 1959, a report giving its recommendations as to the continuance, simplification, or modification of the law. Congress would thus necessarily have a further opportunity, on the basis of 2½ years' experience to determine whether and in what form to make the protections of this bill a permanent part of our legal structure.

GENERAL CONCLUSIONS

Mr. President, I would only add at this time that the importance of this measure is clearly shown by the fact that over 75 million persons are now covered in some measure by employee welfare and pension programs. Annual contributions to them total more than $6.9 billion; twenty to twenty-five billion dollars in pension reserves have been piled up. Grave abuses and many opportunities for abuse have been revealed by our investigation, although the great majority of the plans seem to be honestly and responsibly administered.

Registration, reporting, and disclosure legislation under these circumstances seems a minimum protection that the Federal Government should provide for the millions of beneficiaries.

This is not a regulatory bill. It is only a disclosure bill. We who sponsor it hope that the healing qualities of sunlight on these plans will eliminate the abuses and make it unnecessary to go further.

I have been encouraged by the affirmative support for the general recommendations of our subcommittee from the leaders of organized labor and responsible editors. I hope, Mr. President, that management, banking, and insurance representatives will likewise give this necessary, protective legislation their careful study and understanding support.

For the information of Members on this subject, I ask unanimous consent that there be printed at this point in the RECORD an editorial entitled "Regulating Welfare Funds," from the Washington Post for April 17, 1956; an editorial entitled "Welfare Fund Laws," from the New York Times for April 21, 1956; and a news story and editorial from the AFL–CIO News for April 21, 1956.

There being no objection, the editorials and news story were ordered to be printed in the RECORD, as follows:

[From the Washington Post of April 17, 1956]

REGULATING WELFARE FUNDS

The Senate Labor Subcommittee report on shocking abuses in the handling of welfare and pension funds comes to the inevitable conclusion that there must be Federal and State regulation. Before their merger, both the A. F. of L. and the CIO vigorously attacked the misuse of the funds and called for stringent self-regulation. But the Senate study makes it clear that self-regulation has not provided the protection required. These multi-billion-dollar funds are as important as life insurance to millions of persons, and they must have confidence that their investment is properly handled. The public also has a valid interest in the proper management of the funds because, like banks and insurance companies, they have become a powerful economic force.

The assets of the pension funds alone now total about $25 billion. These funds have mushroomed in the postwar period, and it is not surprising that in some instances they have been managed by inexperienced or unscrupulous persons. The committee gave the majority of the managers a clean bill of health, but even for them it is apparent that the best safeguard against abuse is full disclosure of the operation. This is the main point in the committee's recommendation. "We can't solve everything at once," Chairman PAUL DOUGLAS said. "But the requirement of complete public disclosure should result in those responsible for handling these vast funds being more careful and considerate of the beneficiaries' welfare."

President Eisenhower said last year that the standards prescribed for such funds are not adequate to protect and conserve them. Most responsible union leaders have come to the same conclusion. It remains for Congress to draft a bill in line with the recommendations made by the Douglas subcommittee. Congress should approve the measure before it adjourns, for there no longer is any doubt as to the need for public disclosure and supervision.

[From the New York Times of April 21, 1956]

WELFARE FUND LAWS

Governor Harriman has acted wisely in signing the Mitchell-Holling bill to curb the abuses of labor welfare funds. It is far from adequate to meet the situation, but at least it is a good beginning, and the operations it will activate will be useful in going further. The passage of this law will also help the cause by spurring action on the recommendation for a Federal law made public this week by the Senate subcommittee of which PAUL H. DOUGLAS is the chairman.

The New York State statute covers only those funds which are jointly maintained by employers and unions, excluding those solely administered by either the one or the other. Like the Douglas committee plan, it requires annual registration and reports of operations, but it leaves to the discretion of the superintendent of insurance or banking just what information will be required. On the other hand, it gives the superintendents wide powers of examination into the affairs of every fund covered, with authority to enjoin malpractices and to remove and punish offenders.

The new law also provides for the actual regulation of fund operations. It prohibits payment of commissions by insurance companies or brokers for fund business, forbids union officers to have any interest in insurance concerns and imposes on fund trustees full responsibility as fiduciaries. It doesn't, however, provide an advisory council.

Sound public policy requires that the Federal Government be primarily a factfinding and reporting agency and that regulation be left to the States, which can do it better, as these two measures provide. But each State law should cover all welfare and pension funds, without exception or discretion.

We urge Senator DOUGLAS to introduce and press for a bill to carry out the proposals of his subcommittee, and we applaud President Meany's assurance that such a measure will have the support of the AFL–CIO.

[From the AFL–CIO News of April 21, 1956]

MEANY BACKS FUND REPORT—FAIR PROBE IS PRAISED BY LABOR

ALF-CIO President George Meany gave strong endorsement to the main features of a Senate subcommittee report recommending strict accounting and full disclosure of all financial details of employee welfare and pension funds.

The Labor Subcommittee, headed by Senator PAUL H. DOUGLAS, Democrat, Illinois, was praised by Meany for its disclosure of the acts of corrupt individuals and its deeper revelation of commercial insurance practices and lax State supervision that opened the way for abuses.

CONSTRUCTIVE APPROACH

"This represents a constructive approach which has largely been lacking in previous investigations," Meany said.

He specifically endorsed Federal legislation designed to bring about full disclosure of the financial operations of all types of welfare and pension plans and declared that the standards recommended by the subcommittee's report appear to meet the criteria spelled out by the AFL–CIO merger convention.

The one specific exception Meany noted was the Douglas subcommittee's suggestion of the Securities and Exchange Commission as the Federal agency with which welfare and pension fund data must be filed.

The merger convention recommended the Labor Department as the agency for filing.

Meany said that the Eisenhower administration bill, introduced by request of Labor Secretary James P. Mitchell earlier this year, falls short of our objectives, principally because under its terms the Secretary would have excessive discretion to exempt favored corporations or groups from reporting on their funds and could otherwise weaken or water down the reporting and disclosure requirement.

Final judgment on the Douglas subcommittee's proposals would be reserved pending introduction of an actual bill, the AFL–CIO president said, but "we strongly urge the Congress to act promptly" on the recommendations and to "enact an adequate disclosure law during the present session."

The subcommittee report called for total disclosure to a Government agency and to all beneficiaries of the receipts, expenditures, and other financial facts about all types of welfare and pension funds.

This would include union-administered welfare funds, funds jointly administered by unions and management, and funds administered by management alone, whether or not the latter were negotiated by collective bargaining.

ABOUT $25 BILLION INVOLVED

Pension funds now involve total reserves of about $25 billion, DOUGLAS told a news conference, and welfare and pension fund receipts amount to more than $6.8 billion a year.

An issue of tax exemption is involved in each case, and this places on the Government a "grave responsibility" for the sound operation of all systems and "protection of the equities of the beneficiaries and the public interest," he said.

The subcommittee has no desire to replace State regulation of insurance companies with Federal regulation, although it strongly recommended revision of State supervisory practices.

"We do recommend Federal disclosure of the details of all funds, whether handled through a trustee arrangement or insurance companies. We want to let some sunlight on the operation of funds. A little sunlight is often a great help," DOUGLAS declared.

The subcommittee proposed that an independently audited report on the receipts, expenditures, benefits, and investments of each fund be filed each year with a Federal agency with criminal penalties for failure to report or for reporting falsely.

It also recommended that embezzlement from welfare or pension funds be made a Federal offense punishable by criminal penalties.

It recommended, in addition, that a summary report be provided personally to each individual who is a beneficiary, actual or potential, of any fund.

This element of compulsory filing and disclosure transcends the Eisenhower administration bill, under which the Secretary of Labor would have blanket authority to exempt any fund from filing and would not be compelled to publish the reports.

FOLLOW AFL–CIO RESOLUTION

The subcommittee recommendations generally follow the AFL–CIO convention resolution on welfare funds.

The convention went further than the Senate subcommittee, however, in specifically calling for amendment of State laws that now require payment of an insurance agent's commission even if an agent or broker gives no service in developing a plan financed through an insurance policy.

The subcommittee in nearly 2 years of hearings revealed examples of gross mismanagement and self-enrichment by a few union officials, abuses of propriety if not worse by some management officials, improper payment of fat fees by insurance firms anxious for business, and profiteering by some insurance firms.

Most of the pension and welfare funds, it found, follow "sound practices" and are the result of "conscientious and ingenious efforts on the part of industry, labor, insurance, and banking to bring benefits to scores of millions of employees at low cost."

Subcommittee members, in addition to Chairman DOUGLAS, were Senators JAMES MURRAY, Democrat, of Montana, IRVING M. IVES, Republican, of New York, and GORDON ALLOTT, Republican, of Colorado. ALLOTT filed a supplementary statement of views indicating reservations about the recommendation that management-financed funds, as well as all others, be compelled to file reports.

[From the AFL–CIO News, Washington, D. C., of April 21, 1956]

TO PROTECT THE WELFARE FUNDS

In an era when all too many congressional committees have resorted to headline hunting and vaudeville performances, the conduct of the Senate Subcommittee on Welfare and Pension Funds—headed by Senator PAUL DOUGLAS, Democrat, of Illinois—has been exemplary and constructive.

The committee has looked into the handling of these funds with an impartial and objective approach. It has looked not only at malfeasance and some bad practices by business firms but at the lessons to be learned from the great number of honestly administered welfare and pension funds.

It has found, for instance, that over 75 million Americans are directly covered or affected by the funds that have been developed in recent years. It has acknowledged the necessity of Federal legislation to insure their sound operation and to protect the rights and equities of individuals.

Average Americans who get their information from the daily papers are apt to have the seriously wrong impression that, because corruption makes news and honesty and integrity are rarely given public appreciation, all welfare funds are mishandled.

This misconception, to the extent that it is believed by sections of the public, is a serious danger, because millions of working Americans have benefited from the welfare and pension funds—in many cases established by unions and management through collective bargaining.

The AFL–CIO will strongly support most of the Douglas subcommittee recommendations. We have pointed out, in resolution and in speech, that welfare funds are a sacred trust, and that their handling must meet the highest ethical standards. Basic legislation designed to protect the workers' equities while leaving flexibility in the collective-bargaining area will be welcomed by decent unions, decent management, and the public.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to amend the Refugee Relief Act of 1953, Public Law 203, 83d Congress. This one bill, is in effect, a consolidation of S. 3570, S. 3571, S. 3572, S. 3573, and S. 3574, which I introduced on March 29, 1956, and of S. 3606 which I introduced on April 11, 1956.

Mr. President, a hearing was held on all six of these bills on May 3, 1956, and it is my thought that no further hearing need be held on the bill I am introducing today, since it makes no changes whatsoever. It is only a composite of the other six bills. This decision is, of course, subject to the concurrence of the other members of the Subcommittee on Refugees with whom I shall consult.

Mr. President, I am very sympathetic to the difficulties being experienced by the representatives of the voluntary agencies in working with this very difficult immigration law. I am also responsive to the wishes of these very dedicated representatives who have spent so much time and money in trying to bring refugees into the United States. So, Mr. President, when they petitioned me to introduce a "one-package bill," I agreed to do so, and this is it. If it will make their paths a little less rocky, I am glad to offer all these amendments in one bill. I reiterate that since a hearing has already been held on the other six bills and since this bill embodies those provisions only, I see no necessity for a further hearing.

I sincerely hope the bill which I am introducing today will have a happier fate than the other refugee bills.

I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred and, without objection, the bill will be printed in the RECORD.

The bill (S. 3876) to amend the Refugee Relief Act of 1953, introduced

by Mr. LANGER, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 4 (a) of the Refugee Relief Act of 1953 is amended by striking out paragraphs Nos. 1 through 10 thereof and inserting in lieu thereof the following:

"(1) Not to exceed 35,000 visas to German expellees residing in the area of the German Federal Republic or in the western sectors of Berlin or in Austria: *Provided*, That the visas issued under this paragraph shall be issued only in the German Federal Republic or in the western sector of Berlin or in Austria.

"(2) Not to exceed 40,000 visas to escapees residing within the European continental limits of the member nations of the North Atlantic Treaty Organization, the western sectors of Berlin, Austria, Turkey, Sweden, Iran, and Trieste: *Provided*, That such visas shall be issued only in the area or areas mentioned in this paragraph.

"(3) Not to exceed 2,000 visas to refugees who (a) during World War II were members of the armed forces of the Republic of Poland, (b) were honorably discharged from such forces, (c) reside on the date of the enactment of this act in the British Isles, and (d) have not acquired British citizenship.

"(4) Not to exceed 45,000 visas to refugees of Italian ethnic origin, residing on the date of the enactment of this act in Italy or in the Free Territory of Trieste: *Provided*, That such visas shall be issued only in the area or areas mentioned in this paragraph.

"(5) Not to exceed 35,000 visas to persons of Italian ethnic origin, residing on the date of the enactment of this act in Italy or in the Free Territory of Trieste, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in Italy or in the Free Territory of Trieste.

"(6) Not to exceed 15,000 visas to refugees of Greek ethnic origin residing on the date of the enactment of this act in Greece: *Provided*, That such visas shall be issued only in Greece.

"(7) Not to exceed 12,000 visas to persons of Greek ethnic origin, residing on the date of the enactment of this act in Greece, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in Greece.

"(8) Not to exceed 10,000 visas to refugees of Dutch ethnic origin residing on the date of the enactment of this act in continental Netherlands: *Provided*, That such visas shall be issued only in continental Netherlands.

"(9) Not to exceed 2,000 visas to persons of Dutch ethnic origin, residing on the date of the enactment of this act in continental Netherlands, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in continental Netherlands."

(b) Section 4 of such act is amended by striking out subsection (c) thereof and inserting in lieu thereof the following:

"(c) Any allotments of visas provided in paragraphs (4) and (5), paragraphs (6) and (7), paragraphs (8) and (9) of subsection (a) of this section, shall be available bilaterally within each of the three ethnic groups therein defined."

(c) Section 4 of such act is amended by adding at the end thereof the following new subsection:

"(d) Any allotment of visas provided in this section which are unused by aliens who apply and for whom assurances are filed on or before October 31, 1956, shall be available for the issuance of nonquota immigrant visas during the years 1957, 1958, and 1959, to escapees as defined in subsection (b) of section 2 of this act, and to eligible orphans as defined in section 5 of this act, notwithstanding any other limitations contained in this act. Notwithstanding any other provision of law, visas may be issued under this subsection until December 31, 1959."

"(e) (1) Not more than 1,000 aliens in Austria, Germany, Greece, and Italy may be issued visas and be admitted to the United States under the terms and within the numerical limitations of this act irrespective of the fact that they are found ineligible to receive visas or inadmissible to the United States under section 212 (a) (6) of the Immigration and Nationality Act insofar as it relates to aliens afflicted with tuberculosis. No alien shall be issued a visa under the provisions of this subsection unless (A) it is shown that arrangements satisfactory to the Attorney General and the Surgeon General of the United States Public Health Service have been made that such alien, when admitted to the United States, will not become a public charge, and will not endanger the public health, and (B) such alien is a member of a family unit, consisting of qualified applicants for a visa under the provisions of this act, which he intends to accompany or follow to join in the United States. The provisions of section 7 (a) of act shall not apply to any alien receiving a visa under the provisions of this subsection, but the Administrator shall prescribe such regulations as may be necessary for a special assurance to satisfy the requirements of the provisions of this subsection.

"(2) No visa shall be issued under this subsection to any applicant unless special assurances as provided for in subsection (e) (1) of this section have been filed in his behalf with the Administrator on or before October 31, 1956.

"(3) Notwithstanding any other provision of law, visas may be issued under this subsection until December 31, 1957."

(d) Section 4 (a) (11) of such act is amended by striking out the following: "and only to refugees who are not indigenous to the area described in this paragraph."

SEC. 2. (a) Section 5 (a) of the Refugee Relief Act of 1953 is amended (1) by striking out "4,000," and inserting in lieu thereof "9,000", and (2) by striking out "10 years" and inserting in lieu thereof "14 years."

(b) Section 5 of such act is amended by adding at the end thereof the following new subsection:

"(d) Any visa issued under this section to any eligible orphan who has been lawfully adopted abroad by a United States citizen and spouse while such citizen is serving abroad in the United States Armed Forces, or is employed abroad by the United States Government, or is temporarily abroad on business, shall be valid until such time as the adoptive citizen parent returns to the United States in due course of his service or business.

"(e) Notwithstanding any other provision of law, visas may be issued under this section to eligible orphans until December 31, 1959."

SEC. 3. Section 7 (a) of the Refugee Relief Act of 1953 is amended (1) by inserting immediately after "citizen or citizens of the United States" the following: ", or by any voluntary agency recognized by the Department of State", and (2) by striking out the seventh and eighth sentences thereof and inserting in lieu thereof the following: "This subsection shall have no applicability to the alien eligible under paragraph (5), (7), or (9) of section 4 (a) of this act, if such alien provides satisfactory evidence that he will not become a public charge. No visa shall be issued under the allotment of 45,000 visas heretofore made by paragraph (4) of subsection 4 (a) of this act to refugees in Italy, or under the allotment of 15,000 visas heretofore made by paragraph (6) of subsection 4 (a) of this act to refugees in Greece, or under the allotment of 15,000 visas heretofore made by paragraph (8) of subsection 4 (a) of this act to refugees in the Netherlands, to an alien who qualifies under the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act, until satisfactory evidence is presented to the responsible consular officer to establish that the alien in question will have suitable employment and housing, without displacing any other person therefrom, after arrival in the United States."

SEC. 4. Section 12 of the Refugee Relief Act of 1953 is amended by striking out "paragraph (6), (8), or (10)" and inserting in lieu thereof the following: "paragraph (5), (7), or (9)."

SEC. 5. Section 20 of the Refugee Relief Act of 1953 is amended to read as follows:

"SEC. 20. (a) No visa shall be issued under this act to any applicant unless assurances in his behalf have been filed with the Administrator on or before October 31, 1956.

"(b) Except as otherwise provided in this act, no visa shall be issued under this act after December 31, 1957."

PROVISION AND IMPROVEMENT OF HOUSING—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him, to the bill (S. 3855) to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, which were ordered to lie on the table and to be printed.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENTS

Mr. NEUBERGER. Mr. President, I submit, for proper reference, an amendment to the bill (H. R. 10660) the Federal Highway Act of 1956. This amendment would authorize extension of Federal aid for highways to the Territory of Alaska on the same terms and conditions as the several States, Hawaii, and Puerto Rico, insofar as expenditure for projects on the Federal-aid primary, secondary, and urban systems is concerned.

The people of the Territory of Alaska have for many years sought inclusion of Alaska in the Federal-aid highway programs in order that a long-range, comprehensive highway program could be developed and carried out. The lack of highway construction over the years has substantially contributed to the slow development of Alaska and impaired its ability to raise revenues to contribute to highway construction.

H. R. 10660 will continue that discrimination. It permits initiation of a vast highway construction program over the 48 States, Hawaii, Puerto Rico, and the District of Columbia, but not in Alaska. Every section of our country and every segment of our population and economy will greatly benefit, but the Territory of Alaska will derive little benefit therefrom.

Hawaii and Puerto Rico will receive additional funds under H. R. 10660 with

which to prosecute an expanded highway program. The resident will be assessed additional taxes to help pay for those roads. The residents of Alaska will be assessed the same taxes, but they will pay for additional roads constructed elsewhere.

The Territory of Alaska is only included in H. R. 10660 as it relates to taxation, not as to provision of funds for highway construction.

Mr. President, Alaska is a large territory, about one-fifth the size of the United States. Distances between populated areas are great. Transportation is difficult and expensive. The natural resources of the Territory are extensive, but full development cannot be completed without an adequate highway system. There are at the present time less than 4,000 miles of highways of all types in Alaska.

There are many large defense installations located in the Territory of Alaska. These are considered vital to the security of our Nation. A system of connecting roads would be of vast benefit to full operation of these defense facilities.

The amendment I propose would place Alaska on the same basis as Hawaii and Puerto Rico. Because of the large area of Alaska, only one-half of such area would be used to determine the area factor in the apportionment of such funds. The Territory would contribute funds in an amount of not less than 10 percent of the Federal funds apportioned each fiscal year. The proposed amendment would transfer all road functions from various agencies to the Secretary of Commerce, thus permitting more orderly and economical operations.

Mr. President, an accelerated highway program is the key to the economic development of Alaska. The strategic location of Alaska makes an adequate highway system essential for national defense. The citizens of Alaska pay all Federal taxes, and in fairness they should benefit from the Federal Highway Act, especially since they must also pay the increased highway taxes.

I believe the inclusion of Alaska under the provisions of H. R. 10660 is equitable, will accelerate its economic development, and be of vital assistance to national defense, and I therefore submit my amendment to this effect.

The PRESIDENT pro tempore. The amendment will be received, lie on the table, and be printed.

Mr. BENNETT submitted amendments, intended to be proposed by him, to House bill 10660, supra, which were ordered to lie on the table and to be printed.

AGRICULTURAL ACT OF 1956—AMENDMENTS

Mr. WILLIAMS submitted amendments, intended to be proposed by him, to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which were ordered to lie on the table and to be printed.

Mr. YOUNG submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. MARTIN of Pennsylvania submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. ANDERSON submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table and to be printed.

Mr. DANIEL submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table and to be printed.

Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. CASE of South Dakota, Mr. ALLOTT, Mr. DWORSHAK, Mr. MANSFIELD, Mr. HRUSKA, Mr. CURTIS, and Mr. MUNDT) submitted an amendment, intended to be proposed by them, jointly, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

PROPOSED AMENDMENT OF THE CONSTITUTION, RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. BRIDGES. Mr. President, on February 8, 1955, the Senator from Maryland [Mr. BUTLER], on behalf of himself and sundry other Senators, introduced the joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States relative to equal rights for men and women. I ask unanimous consent that my name may be added as an additional cosponsor of the joint resolution.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING AS SENATE DOCUMENT REPORT ON FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND (S. DOC. NO. 119)

Mr. BYRD. Mr. President, I ask unanimous consent that the report on the Federal Old-Age and Survivors Insurance Trust Fund, laid before the Senate on yesterday, be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BUTLER:

Statement prepared by him on the Polish Constitution.

Statement prepared by him on Israeli independence.

By Mr. JENNER:

Excerpt from Executive Report No. 8 of the Senate Committee on Foreign Relations, dated June 15, 1955, dealing with the obligation of the Soviet Union to remove its troops from Rumania and Hungary, following ratification of the Austrian State Treaty.

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the following nominations:

Theodore C. Achilles, of the District of Columbia, a Foreign Service officer of the class of Career Minister, to be Ambassador of the United States to Peru, vice Ellis O. Briggs.

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of Career Minister, to be Ambassador of the United States to Brazil, vice James Clement Dunn, resigned.

The Chair gives notice that at the expiration of 6 days, these nominations will be considered by the Committee on Foreign Relations.

TRIBUTE BY HON. SCOTT W. LUCAS TO THE LATE SENATOR BARKLEY

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a beautiful tribute which the Honorable Scott W. Lucas has written in memory of our beloved mutual friend and distinguished colleague, the late Honorable Alben W. Barkley.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

SENATOR ALBEN BARKLEY

In the evening of life a great and good American, yea, the No. 1 voice of the Democratic Party, is silenced by the hand of death.

The once vibrant and gracious Veep has vanished, leaving the mortal flesh to sleep peacefully throughout the years of eternity.

In this fateful hour there are no ceremonies of pomp and splendor; all is still, save the mournful organ and the minister's moving voice.

So, the journey to the grave begins, moving across plains, mountains, and cities, midst the people he loved and who loved him.

And, at the journey's end, his everlasting place of rest is found in Kentucky soil—soil that made him—soil that he worshiped.

This noble and patriotic character leaves behind a record for God and country that has few parallels in American history.

God grant that more Barkleys may spring from Kentucky soil. Such men in American life are indispensable if the destinies of humanity are to remain free.

ONE HUNDRED AND FORTY-SECOND ANNIVERSARY OF NORWEGIAN INDEPENDENCE

Mr. THYE. Mr. President, Norwegians and people of Norwegian descent recognize May 17 as the "Syttende Mai," in commemoration of the signing of the constitution of Norway. Today marks the 142d anniversary of Norwegian independence.

As one who enjoys the distinction of Norwegian descent, and as a Member of the Senate who represents one-fourth of the Norwegian population of the United States, I pay tribute today to the country of Norway, its people, and the contribution it has made in world history.

During this period when the cause of freedom and independence is engaged in a struggle with totalitarian ideologies, Norway's contribution to the cause of freedom takes on added significance.

This relatively small nation during World War II resisted the invasion of people by the forces of totalitarianism.

As an instrument dedicated to world peace, Norway has contributed much to the accomplishments of the United Nations. It is also significant that the newly appointed Supreme Commander of the NATO forces in Europe, General Lauris Norstad, of Red Wing, Minn., is a descendent of Norway.

To one who knows these people as I do, it is not difficult to understand this deep desire to preserve the principles of freedom which were written into the Norwegian constitution in Eidsvold on May 17, 1814.

These are the people who conquered the seas and tilled the rugged land of Norway. They became steeped in the qualities of courage, integrity, and adventure. They were practical and hard-working people. Yet they were dedicated to the advancement of education, science, the arts, and the Christian faith.

From the time when the first group of Norwegian immigrants arrived in New York on October 9, 1825, the sons and daughters of Norway have contributed much to the United States. They did not take this new land for granted. They came to love it, and always sought to make it a better land by their contributions to society. They cleared the forests, and built homes with the timber; they opened and plowed the land as farmers; they established schools for their children, and erected churches which became a part of their living faith in God.

Some of these descendants will live forever within the pages of the books they wrote, by the engineering feats they performed in the field of construction, and by their achievements in all areas of community and national activity.

I am pleased to pay tribute on this "Syttende Mai" to Norway for the heritage she has bestowed, not only to those of us who trace our lineage to her fjords and fields, but to all people who champion the cause of independence and freedom throughout the world.

Mr. HUMPHREY. Mr. President, Minnesota is deeply proud of its citizens of Norwegian descent and conscious of our many ties with this sturdy Scandinavian nation which gave so many of its sons and daughters to America. Today, May 17, is Syttende Mai—the anniversary of Norwegian independence.

Americans everywhere, but perhaps Minnesotans to a special degree, join in congratulating our friendly neighbor across the Atlantic on more than 140 years of independence and steady strengthening of democracy. Through grave economic difficulties, shattering wars, and great temptations to follow the example of other nations who turned to dictatorship as a possible solution to their difficulties, Norway has proudly and decisively clung to democracy and freedom. Indeed, the people of Norway have made the ideals of democracy a living reality.

It is typical of the people of Norway that this rejection of the false god of totalitarianism has been in deed as well as in word. Long will we remember Norway's magnificent stand against the Nazis. And Norway's determined defiance of Soviet Russia during the years when the Communists were massing overwhelming numbers of troops and tanks and guns and aircraft along the borders of free Europe was an inspiration again to the free world. Norway's refusal to be intimidated by her gigantic neighbor, her forthright stand with the West in NATO, were of great significance in the forging of that great bulwark of western defenses.

This small nation represents a moral force far beyond the relatively small number of its people. Norway's example of democratic government continues to serve as an inspiration to freedom-loving people throughout the world. And with hundreds of millions of uncommitted people in the new nations of the 20th century, still undecided whether to follow the pattern of totalitarianism or to push on toward a working pattern of democracy, Norway's brave example gains renewed significance.

As an American, I am proud to have Norway as one of our greatest and stanchest friends. I take deep pride in the contributions which Norwegian immigrants have made to our country, and particularly to the State of Minnesota, where their sturdy commonsense, their sense of craftsmanship, their love of hard work, and devotion to personal freedom have molded so much of the character of Minnesota.

I reflect with great pleasure that my mother, Christine Sannes Humphrey, of Huron, S. D., was born in Christiansand, Norway, and came to America as an immigrant child. I am also proud to say that my mother's father was a Norwegian ship captain for 20 years before he homesteaded in this country.

But while there is to me a special personal element in this observance of Norway's Independence Day, I speak for all Americans in extending our warmest greetings and good wishes to the people of Norway—our old and greatly admired friends.

ASIAN-AMERICAN CONFERENCE ON CULTURAL RELATIONS

Mr. WILEY. Mr. President, the city of Washington is pleased to play host during this week not only to Indonesia's First Citizen, its distinguished President, Dr. Soekarno, but also it is host to a most interesting and valuable Conference on Cultural Relations between the peoples of South and Southeast Asia, and the United States.

The conference meetings in our Nation's Capital represent the climax of a 3-week tour of the United States by participants from 10 Asian lands. The tour is sponsored by the United States National Commission for UNESCO, at the invitation of the United Nations Educational, Scientific, and Cultural Organization.

Arrangements for the tour were made in cooperation with the American Council for Learned Societies; the Asia Foundation; Edward W. Hazen Foundation; Fund for Asia; Rockefeller Foundation; the universities of California, Louisville, Michigan, and Minnesota; Massachusetts Institute of Technology; the American Society of Composers, Authors, and Publishers, and others.

I believe that the increased understanding gained through this conference will prove most helpful, in ever improved relations between our peoples.

The great spiritual ideals which our own and other free peoples share, the common love of liberty and independence, the deep desire for a better way of life for all men and women—these are the truths which we and our friends should well explore.

Tomorrow it will be my pleasure, together with colleagues of the Senate and House, to be host at a luncheon get-together in which we will have the pleasure of meeting the Asian participants at firsthand, here on the Hill.

Friday evening, a party has been arranged in honor of our guests from the East, and thereafter, they will hear an address by Mr. Norman Cousins, editor of the Saturday Review. The Honorable Paul Hoffman, who did so outstanding a job as first head of the Economic Cooperation Administration will also be on hand for words of greeting to our friends.

The theme of the overall conference is Human Values and Social Change in South and Southeast Asia and the United States.

Each day's program for the conference has been a full one, both here in Washington and in other cities in which the conferees have visited.

We hope that our friends will return to their lands with a deep feeling of having contributed to better understanding of their lands in the United States, and, in turn, to having gained a better understanding of our land and its culture.

"Man does not live by bread alone," but by things of the spirit. The United States is not just the land of skyscrapers, automation, and convertibles. It is a land of deep cultural interest and attainment. And while there are obvious differences between our own and other less developed lands, we share a great common heritage, and we have a deep respect for the ancient, rich cultures of Asia: Like them, we are changing, evolving for the better. And like them, we want to know our neighbors better—our Buddhist, Moslem, Hindu, Christian, and all other neighbors of all faiths.

I ask unanimous consent that a list of our visiting friends from Asia be printed at this point in the body of the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PARTICIPANTS IN THE CONFERENCE ON ASIAN-AMERICAN CULTURAL RELATIONS, SPONSORED IN WASHINGTON, D. C., BY THE AMERICAN COUNCIL OF LEARNED SOCIETIES AT THE REQUEST OF THE UNITED STATES NATIONAL COMMISSION FOR UNESCO

Burma: U Lu Pe Win, director of archeological survey, Government of Burma. Daw Mya Sein, lecturer in history, University of Rangoon.

Cambodia: Sam Sary, member, Royal Council, minister of education.

Ceylon: Dr. G. P. Malalasekera, professor of Pali and of Asian studies, University of Ceylon.

India: Dr. V. K. R. V. Rao, professor and director, Delhi School of Economics, University of Delhi.

Indonesia: Dr. Bahder Djohan, president, University of Indonesia, Djakarta.

Laos: Dr. Tay Keoluangkhot, director general, ministry of education, Vientiane.

Pakistan: Dr. M. M. Sharif, professor of philosophy, Islamia College, Lahore, Pakistan.

Philippines: Dr. Vidal Tan, president, University of the Philippines.

Thailand: Dr. Sukit Nimmanhemin, executive member, council of Chulalongkon University, Bangkok.

Vietnam: Dr. Nguyen Quang Trinh, rector, University of Vietnam, Saigon.

IMPRESSIONS OF RECIPIENT OF FULBRIGHT SCHOLARSHIP AWARD

Mr. HUMPHREY. Mr. President, among the Minnesota recipients of last year's Fulbright scholarship awards was Robert Scharlemann, of Lake City, Minn. He has just sent me a report on his impressions after a year in Heidelberg, Germany, and I think his comments are a valuable testimonial to the effectiveness of the Fulbright program.

I pause to note that, regrettably, the Department of State, with the cooperation and support of the Bureau of the Budget, and, obviously, of the President, have cut the Fulbright scholarship program. I think this is an unfortunate error, and I am am hopeful that when that program comes before the Senate for authorization and appropriation we will provide a sufficient amount properly to implement a furtherance of this very helpful and constructive educational endeavor.

I ask unanimous consent that Mr. Scharlemann's letter be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DOSSENHEIM BEI HEIDELBERG,
HAUPTSTRASSE 67 BEI HOERNER, GERMANY,
May 8, 1956.

The Honorable HUBERT H. HUMPHREY,
Washington, D. C.

DEAR SENATOR HUMPHREY: This letter is to be a kind of acknowledgment and at the same time a kind of report. On June 8, 1955, almost a year ago, I received a letter from your office containing congratulations on my having received a Fulbright scholarship. I should like at this time, therefore, to do what I should long ago have done: to express my appreciation for your alertness.

At the same time you may be interested in my reactions to the Fulbright program and to my contacts and study here at the University of Heidelberg. A summary of those reactions would be one word: wonderful. (Or, as the German teenagers say: prima.) Wonderful enough, in fact, to have caused me to apply for a year's renewal of the scholarship—a request which the Commission had, alas, to reject. But to describe it as wonderful is still being too vague. So I shall try to be more explicit:

1. It has made me understand the United States better. This is true not only because the constant questioning that one is subjected to leads to a searching for information that one would otherwise not look for. It is true, rather, because just living and speaking with people on all topics, important and trivial; just being able to walk the streets of their cities and to observe; just being able to see the country and countryside in which they grow up; just being able to read in their newspapers of happenings in the States as though they were foreign news—all of this makes it possible to see the United States, to see ourselves, in such a way that normally would be impossible. One can only wish that all our Secretaries of State would at some time have spent a couple of such years in a foreign country. It might lead to a saner foreign policy.

2. It has made me understand Americans better. This is true, in the first place, because Europe provides the opportunity of closer acquaintance with the tradition and the culture from which we stem. It is true, in the second place, because contact with Europeans has made me aware of the significant (and, in my opinion, healthy) singularity of the attitude of Americans to tradition: they are interested in it but not bound by it. Not bound by it—that, I fear, is a freedom that Europeans long for but still miss. And if, in this connection, one has to blush at much of American tourism, one can feel rather happy at the behavior of American students here. On the whole, their contribution to good will and understanding has been considerable, as far as I (as one of them) am able to judge.

3. As a theology student, I have gained a new insight into the dangers as well as the strengths that theology can have in the life of a country and its people. It is always difficult to make clear that theology is not supposed to be something divorced from the problems of life and that theologians are not supposed to be ivory-tower scholars who argue about the velocity of angels while other people are about earning an honest living. My own research this year ("The Relationship Between the Doctrine of the Holy Spirit and the Doctrine of Grace in Christian Theology") may sound as abstruse as one can get theologically; but it does have significance for even something like the Voice of America broadcasts. (If it were only a device for exercising my skill in making theological or philosophical distinctions, I should have had a guilty conscience for accepting a Fulbright grant.) The danger, as one can, to be sure, see it in Germany too, is that theology become too abstruse and irrelevant. Yet the fact that resistance to Hitler's barbarism came from the German church; i. e., that it was theologically sparked, is a heartening reminder of the strength of a theology that in time of crisis can make giants of pygmies and heroes of students.

But let this be enough. Once again, thank you for your letter of last June. And may the Fulbright program live long.

Yours sincerely,
ROBERT SCHARLEMANN.

DISCRIMINATION BY SAUDI ARABIA AGAINST AMERICANS OF JEWISH FAITH

Mr. HUMPHREY. Mr. President, 3 months ago on the Senate floor I raised the issue of discrimination by the Government of Saudi Arabia against Americans of Jewish faith. Since that time this issue has been receiving increased attention at home and abroad. On various occasions both President Eisenhower and Secretary Dulles have admitted and defended this Government's acquiescence in these discriminatory practices. I should like to repeat today my condemnation of an unalterable opposition to our official position on this matter.

Recently, Rabbi Max A. Shapiro, of Temple Israel, in Minneapolis, Minn., delivered a lecture on this subject entitled "A Matter of Principle." I should like to commend that lecture to the attention of my colleagues. It is an accurate historical review of similar incidents in American history when nations with whom we had treaty obligations denied equal protection and equal privileges, under the law, to Americans of other religious faiths.

I am happy to note that in other instances, going back to the earliest days of this country, back to the days of President Buchanan, back to the early 1800's and 1900's, our Government has stood for principle, and has either abrogated a treaty, or has insisted that the laws of other nations be amended so that Americans could be treated on the basis of equity and equality.

This is a fundamental principle. Our Constitution provides that there shall be no discrimination on the basis of religious affiliation.

Mr. President, I think it is about time the Congress of the United States paid more attention to some of the executive agreements, and, indeed, some of the treaty obligations, into which we have entered, which permit the kind of religious discrimination and second-class citizenship for American citizens to which I have referred.

I ask unanimous consent that the lecture by Rabbi Shapiro be printed in the RECORD at this point in my remarks.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

A MATTER OF PRINCIPLE—ASPECTS OF UNITED STATES POLICY IN THE MIDDLE EAST

It is not my purpose this evening to talk to you about the crisis in the Middle East—the significance of the Baghdad Pact—the effect of the new cease-fire agreement, or whether war is inevitable despite all that has occurred. All this you can obtain in the newspaper accounts and in magazines from sources far more authoritative than I.

What I do propose to consider is a matter of principle—a matter of principle relative to the relation of our country to Saudi Arabia.

On February 24, Secretary of State Dulles appeared before the Senate Foreign Relations Committee. He was questioned on American policy in the Near East. He made a number of remarks indicative of the attitude of the State Department in the Near East crisis—remarks which bear some scrutiny.

In answering questions about Arabia's discrimination against American Jews in particular and Jews in general, Mr. Dulles made the singular statement that animosity was present because the Arabs credited the Jews with the assassination of Mohammed. Where or how he arrived at that conclusion is not known—whether this was a carryover from an inner conviction of the crucifixion story is hard to tell—but that it was completely erroneous is most evident. For the Koran, the holy scripture of the Arab world, describes in great detail the natural death of Mohammed, and it is there for all to see. When Mr. Dulles learned of the factual inaccuracy of his testimony, he had the official record corrected, deleting the assertion that the Jews had killed Mohammed. The statement was made to read that Arab animosity goes back to the time of Mohammed—some 1,300 years ago.

This attitude of justification of Arab discrimination against Jews evinced a number of protests from the American Jewish community, but it was a second statement

made by Dr. Dulles to which I want to call your attention at this time.

On questioning by Senator HUMPHREY, the Secretary of State admitted that no Americans of Jewish faith have been assigned to service at Dhahran, the United States airbase in Saudi-Arabia. This, he explained, was in pursuance of an Executive agreement of 1951, an agreement which does not require congressional action. On further questioning he indicated that we as a nation tolerate such discrimination "in order that this country and the Arab States may get along together to mutual advantage." "We hope," he stated, "that there can be greater moderation and greater tolerance, but we cannot prescribe it from abroad or expect to bring it about suddenly."

This raises some interesting and provocative questions. Are Americans, who happen to be Jews, placed in a second-class category because of their religion? Is our Government, because of pressure from an outside source, abrogating a basic principle of American democracy? Is our State Department more interested in expediency than principle? Are the rights of American citizens expendable items to be bargained away on the international trading counter?

And if all this is so, should we as a group protest? Should we call undue attention to ourselves; shall we jeopardize American strategic and economic interests merely to preserve basic American rights and principles? Or do we remain silent, for this, too, shall pass away?

Let us look at the record.

In 1851 the American Minister to Switzerland signed a general treaty with the Swiss Confederation establishing the rights of the citizens of each country to travel and sojourn in the other. Specifically it stated that the citizens of both countries "shall be admitted and treated upon a footing of reciprocal equality." Now the Swiss Confederation consisted of a number of cantons, each governed by its own constitution, some of which subjected the Jews to severe restrictions and disabilities; and when 5 years later, in 1856, a Mr. A. H. Goodman, an American Jew, was threatened with expulsion from one of the cantons, he appealed to Theodore Fay, the American Minister. Mr. Fay found that, under the provisions of the treaty, he was powerless to help.

But the case became known to the general American public. Jews in America held protest meetings. Editorial comments in the newspapers backed them up. Christians everywhere came to their support. An American principle was at stake. A committee headed by Rabbi Isaac M. Wise, the outstanding leader of Reform Judaism, was dispatched to meet with President James Buchanan to make protest. President Buchanan promised to do his utmost in the situation.

From the exchanges that followed between the two governments, it was evident that the Swiss cantons would have to amend their basic laws if American Jews were to have the same rights within their borders as other Americans. The United States pressed the issue, President Lincoln even going so far as to appoint a Jew as consul to Zurich. In 1874 the Swiss Confederation adopted a new constitution which erased all distinction between religions.

A similar situation developed in our relations with Russia during the 19th century. In 1832 the United States concluded a treaty of commerce and navigation with Russia. This agreement specified that American citizens might enter and reside in that country subject to local laws and ordinances. As you know, the 1800's were years of vast Russian persecution against the Jews, and Russia taking her stand on the proviso that Americans were subject to local laws and ordinances, asserted the right to subject American citizens of Jewish faith to the same restrictions that she imposed on her own Jewish subjects.

Nothing was done until 1866 when a specific incident arose. An American Jew, Theodore Rosenstraus by name, was denied the right to acquire real estate in the city of Kharkov because he was a Jew. This appeal for diplomatic aid coupled with the appeal of another American Jew who was banished from St. Petersburg because of his religion set off a series of diplomatic exchange between the two countries.

The United States took the position, based on a note by Secretary of State Blaine, in 1881, that "it could not accept any construction of the existing treaty that discriminated against any class of American citizens on account of their religious faith." Although the Russians maneuvered and replied that "it was the desire of the Emperor to show all possible consideration to American citizens," new cases in the controversy continued to crop up. In 1893, the news that Russia was refusing to grant visas to American Jews precipitated resolutions in Congress calling upon the President to put an end to such religious discrimination.

The exchange of notes between the two governments continued. In 1907, however, the new Secretary of State, Elihu Root, issued a new note, a note that abdicated the American position to Russian demands. This pronouncement stated that all Americans who had been former Russian subjects could not expect American protection should they return to Russia for any purpose.

There was a vigorous outcry of protest and demand from the American Jewish community. The demand was that the treaty of 1832 be revoked, and a new treaty made, a treaty in which there would be no ambiguity as to the complete equality of the American Jewish citizens.

Our Government did not want to accede. It pointed out the importance of the far eastern trade with Russia. At a conference with representatives of the B'nai B'rith, the American Jewish Committee and the Union of American Hebrew Congregations, President Taft read a prepared paper to the effect that the abrogation of the treaty would do more harm than good. It would not only hurt the country, it could harm the Jews. Large investments in Russia would be jeopardized. Even war might ensue.

But the matter had now been taken up by the American public. It was a matter of principle not investments. The Constitution not only proclaimed the equality of each citizen but demanded no distinction among citizens because of religion. In accordance with this, the United States could not possibly maintain a treaty in which these principles were ignored by the other side.

The protests to the treaty on this matter of principle grew. A national citizens committee headed by two prominent Americans, Andrew D. White, a former Russian Ambassador, and William D. McAdoo, a prominent lawyer, was formed to press the issue. State legislatures passed resolutions calling for abrogation of the treaty. The pressure mounted and mounted. Finally in 1911, the House of Representatives voted, 300 to 1, that the treaty be annulled. Before the measure could reach the Senate, the United States Government terminated the agreement.

Which brings us to the matter in question. What is the situation in regard to Saudi Arabia? We do not have a treaty in the general terms of the Swiss or Russian agreements. The only provision in the agreement that bears upon our problem is a detailed exposition of a standard principle in international law whereby any state can exclude the nationals of any other state. We as a Nation have the right, and we exercise that right, to scrutinize the credentials of all members of foreign missions who come to this country.

On the surface there is no breach of the agreement when Americans unfavorable to the Arabian Government are refused admittance, or when our Government, in order to avoid embarrassment and unnecessary paper work does not submit the names of such persons when it presents a list of the members of our military or diplomatic mission. There is no breach of the agreement, no breach of the contract, but there is a moral breach. It is the same moral violation that existed in the situation with Switzerland and with Russia.

A lie is not necessarily verbal. Discrimination is not only an overt act. A lie can be told by silence. Discrimination can be practiced by innuendo, by a shrug, by a wink of the eye.

And in the case of our agreement with Arabia, discrimination is being practiced by inference. I know Dahran, the Arabian airbase. I was there in 1944. No American soldier cherishes duty in that heat and sand. But this is a matter of principle: American citizens are being placed in a second class category because of their religion.

In the matter of military or diplomatic personnel, the Arabian Government has placed a blanket rejection on all American Jews. It limits visas to Americans for business purposes only. And these violations are not unrecognized by our State Department—Mr. Dulles has stated: We hope the situation will change "but we cannot prescribe it from abroad."

We cannot dictate it, it is true. We cannot prescribe it, it is true. But we need not subscribe to it.

When we did not subscribe to this policy in the case of Switzerland, the policy was altered. When we did not consent to it in the case of Russia we terminated our agreement. Are we so changed today? Are we so devoid of principle today?

I know that conditions are different. I know that we are now engaged in a vast cold war. I know that we are concerned with investments, with making friends, with security.

But we are not merely a body of investors. We are not merely intent upon making friends. We are not merely a Nation out to encircle and entrap Russia. We are a country of free men.

Our greatness is built on our freedom. Our freedom is moral, not material. We as a people have a great passion for gain. We should have a deeper passion for the rights of man. The principles on which this country was founded and nurtured are not incompatible with great material prosperity. But we should be unwilling to have prosperity, we should be unwilling to have great gain, if citizens must be shunted for it—if they must lose the rights which belong to every American. The cost is far too high. The price is far too great.

JOINT USE OF COLUMBIA RIVER WATERSHED BY THE UNITED STATES AND CANADA

Mr. NEUBERGER. Mr. President, few domestic questions concerning water development are more crucial than the necessity for the United States and Canada to work out mutually satisfactory plans and agreements for the joint use of the great Columbia River watershed, which belongs geographically to both nations.

I ask unanimous consent to have printed in the body of the RECORD three illuminating and nonpartisan articles on this critical problem written by Mr. Peter Inglis, associate editor of the Vancouver, B. C., Daily Province, and published in that newspaper for April 23, 24, 25, and 26, 1956.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Vancouver (B. C.) Province of April 23, 1956]

COLUMBIA RIVER CRISIS: 1. THE PROBLEM—THE CLASH ON THE COLUMBIA—WILL CANADA OR UNITED STATES GROW?

(By Peter Inglis)

(First of three articles)

SEATTLE.—Summing up after nearly a full day of debate, Mr. Leon J. Ladner, Q. C., of Vancouver, brought it down from the legal stratosphere to its earthy essentials:

"Competition for power is really the issue."

And, sitting on the sidelines, President Norman A. MacKenzie of the University of British Columbia murmured to a neighbor an even tenser summary:

"What it's really about is: Who grows?"

Mr. Ladner, Dr. MacKenzie and a half dozen other Canadian legal experts had come down to the University of Washington late last week for a Pacific Northwest regional meeting of the American Society of International Law to thrash out a number of the legal aspects of Canadian-American relations and, in particular, those of the program billed as "Diversion of Columbia River waters." (Actually it went a good deal further than that.)

The United States State Department and the Canadian Department of External Affairs took the discussion seriously: both had asked for a verbatim transcript, and a court reporter recorded it all.

If you want to regard it strictly as a debate, you can say that the Canadians won hands down—chiefly because they had done their homework better than most of their American colleagues.

But you could argue that it was something a good deal bigger than a contest of opinions. You might even claim, without exaggerating much, that it was a first serious step toward creating the atmosphere for an amicable settlement of a situation in which, in the words of Senator RICHARD L. NEUBERGER of Oregon in a recent report to the Committee on Insular and Interior Affairs of the United States Senate, "failure to reach agreement on a mutually beneficial program * * * would threaten the gravest crisis in modern United States-Canadian relations, as well as incalculable economic loss to both countries."

Certainly at the start both sides were firmly entrenched in fixed positions behind their respective interpretations of international law but by evening were approaching a meeting on the common ground of the good sense and friendship of their two countries.

At this point it might be well to take a look at the background of the Columbia River issue—a look which some of the American participants in the discussion had not taken closely enough (one of them even seemed to think that the proposal of the Kaiser interests to generate power on the Columbia in British Columbia for use in an aluminum smelter in the United States was still in the cards; he was unaware that it had been killed stone-cold dead long since by the Canadian Parliament's famous bill 3).

Very much condensed, the background goes like this:

The United States today is drawing some 7 million kilowatts, or about 9,300,000 horsepower, of hydroelectric power from the Columbia basin. It expects to need about double that amount within 10 years.

The American investment in existing power plants in the basin is about $1,500,000,000. New plants now under construction represent another $1 billion, and a further $2 billion worth are on the drawing boards, with the funds already authorized.

The plants now existing and under construction represent just about the full potential of the river as it is today. The projected construction requires a system of up-river storage to retain the surplus flow during floods and the months of heavy runoff (today wasted out to sea) and to release it during the seasons of lower water.

One of the principal means of storage would be the projected Libby Dam on the Kootenai River in northwestern Montana. The Kootenai starts life as the Kootenay in British Columbia, runs south to the international border; loops through Montana and the northeastern corner of Idaho, crosses back into British Columbia (picking its terminal "y" up again) and eventually joins the Columbia at Castlegar, some 20 miles north of the boundary. The dam would back a vast volume of water into Canada; the flooding would be 150 feet in depth at the boundary.

The water thus stored would drop only a modest 360 feet through the existing small dams on the West Kootenay in Canada, but would then fall through a head of nearly 1,300 feet on its way through the Columbia River dams in the United States. That is to say, each ton of water originating in Canada and stored in Canada would release nearly four times as much energy in the United States as in Canada.

The Libby Dam project, authorized by the United States Congress, was put before the International Joint Commission to secure the necessary Canadian approval. The Canadian section of the Commission proposed that the United States pay Canada substantially for the upstream storage, here and elsewhere, from which the United States would derive great downstream benefits. The United States section of the Commission claimed the Canadian figures were much too high.

Failing agreement on American payment for what was, in effect, Canadian power potential, the chairman of the Canadian section, Gen. A. G. L. McNaughton, who is also an engineer, came up with a proposal of his own for Canadian use of that potential.

He proposed to divert a large part of the flow of the headwaters of the Kootenay into Columbia Lake from which the Columbia River rises; to dam the Columbia either at Downie Creek or, more probably, at Little Dalles, just north of Revelstoke, and to divert about one-fourth of its flow (augmented by the Kootenay) through a 7-mile tunnel under the watershed into the Fraser Basin, where it would flow through Shuswap Lake, the South Thompson and the Thompson into the Fraser.

This would add between 2 million and 3 million horsepower to the power potential of the Fraser Basin and would be of immense value in meeting British Columbia's fast increasing energy requirements. (In its submission to the Gordon Commission on Canada's economic prospects, the Province estimated that its power consumption would increase by 457 percent between 1955 and 1975.)

The American members of the International Joint Commission, under Len Jordan, former Governor of Idaho, argued that this project would ruin the downstream American development of the Columbia. The Canadians maintained that it would not reduce the flow across the international border. (That the diversion of the Kootenay would make the Libby Dam project impossible was incontestable, but outside the mainstream of argument.)

There was an element of a certain wry humor in this situation. On the one hand the Americans were arguing that in the matter of storage upstream Canadian water was of relatively little importance—indeed, they launched a fairly intensive propaganda campaign, which still continues, to persuade Canadians that cheapening steam power and potential atomic power would make the water become steadily less valuable, so they had better let it go now. On the other, they contended that the diversion of the same water would ruin some $2 billion of power planning.

The deadlock in the International Joint Commission became so serious that Prime Minister St. Laurent raised it at his White Sulphur Springs meeting with President Eisenhower a month ago. On April 9 he said in the House of Commons that "there was a feeling that the Chairmen of the two sections (of the Commission) had publicly expressed views so diametrically opposed to each other that there was little probability of their making the kind of progress we would hope would be made" and that in his talks with Mr. Eisenhower "it was left that the matter would be further discussed between our Department of External Affairs and the Department of the Secretary of State."

Where do we go from here? To an agreed solution or to the International Court of Justice at The Hague? I shall discuss that choice tomorrow.

[From the Vancouver (B. C.) Province of April 24, 1956]

COLUMBIA RIVER CRISIS: 2. THE LAW—A DISTASTEFUL TREATY THAT REBOUNDED

(By Peter Inglis)

(Second of three articles)

SEATTLE.—I wrote yesterday that there was a certain wry humor in the American position toward Canada in the Columbia River argument—that on the one hand the river's water, when stored on Canadian soil for downstream use in the United States, is of trivial value; on the other, when a Canadian proposes to divert some of it into the Fraser it becomes of critical necessity to American power development.

There is a touch of the same sort of irony in the origins of the Boundary Waters Treaty of 1909, the hub around which the legal argument revolved, sometimes acrimoniously, in the Canadian-American round-table debate at the Pacific Northwest regional meeting of the American Society of International Law here late last week.

Article II of the act, which is its core in this instance, reads in part:

"Each of the high contracting parties reserves to itself or to the several State governments on the one side and the Dominion or provincial governments on the other * * * the exclusive jurisdiction over the use and diversion, whether temporary or permanent, of all waters on its side of the line which in their natural channels would flow across the boundary or into boundary waters; but it is agreed that any interference with or diversion from their natural channel of such waters on either side of the boundary, resulting in any injury on the other side of the boundary, shall give rise to the same rights and entitle the injured parties to the same legal remedies as if such injury took place in the country where such diversion or interference occurs. * * *"

The irony is that the first section, which repeats the so-called Harmon Doctrine that a country has absolute control of everything within its borders, was put in at the insistence of the United States Government and against considerable Canadian resistance; the second, providing legal recourse against the effects of this policy, was a reluctant sop from the United States to Canada.

Today, in the Columbia case, the United States is loudly protesting a proposal to divert a part of the river's flow in Canada, and American legal experts at the round table here were talking darkly of legal recourse going all the way to an injunction to prevent the diversion being carried out.

In 1909, in the matter of some minor Canadian-American rivers, the shoe was on

the other foot. Prime Minister Sir Wilfrid Laurier, explaining to Parliament why he had felt compelled to accept a distasteful treaty, said:

"Was it not wiser, then, under such circumstances to say: Very well, if you insist upon that interpretation you will agree to the proposition that if you do use your powers in that way you shall be liable to damages to the party who suffers. At the same time we shall have the same power on our side, and if we choose to divert a stream that flows into your territory you shall have no right to complain, you shall not call upon us not to do what you do yourselves, the law shall be mutual for both parties."

(For this quotation, as for much other material in these articles, I am indebted to a masterly brief prepared by Mr. Leon J. Ladner, Q. C., of Vancouver, of which he was able to read only part at the meeting here.)

Thus what was sauce for the goose half a century ago has now become sauce for the gander.

And the gander doesn't like it.

The American position on the legal aspects of the Columbia argument was put by Mr. Elwood Hutcheson of Yakima, Wash., who quoted extensively from—and appeared to be speaking on behalf of—ex-Governor Len Jordan of Idaho, the chairman of the United States section of the International Joint Commission.

His argument, much condensed, was that:

First. The United States had an overriding need of Columbia water for power generation, irrigation of an eventual 1 million acres, its atomic program (the Hanford Atomic Works use an immense volume of water for reactor cooling), and navigation; furthermore, a diversion into the Fraser would endanger fisheries in which the United States has an interest.

Second. In the 1909 treaty "diversion" means only normal uses of water, and not a major alteration of the river's flow, and applies only to individuals, not governments.

Third. Legally, equitably and morally Canada has no right to divert a quarter of the Columbia's flow because of the common-law riparian doctrine which guarantees water to downstream users and also because of the arid-lands doctrine, developed during the settlement of the West (and actually conflicting with the riparian doctrine) of prior appropriation, or "first in time, first in law," which protects water users from future encroachments.

Fourth. The wording covering legal recourse mentions only "private parties" with a small "p" and not the High Contracting Parties, with capitals, who have overriding rights.

5. In any case, under the international-law principle of "rebus sic stantibus"—that a treaty only has force while the circumstances remain unchanged—the 1909 treaty can be abrogated.

6. Failing all this, the treaty itself provides that it can be terminated on a year's notice.

The Canadian legal position, set out by Prof. C. B. Bourne, of the University of British Columbia, with such remarkable skill that he was loudly applauded by Americans to whom what he was saying was thoroughly distasteful, goes this way:

1. The language of the Boundary Waters Treaty is absolutely clear, and hence so is the Canadian right to divert Columbia water.

2. Even if the Harmon doctrine embodied in the treaty is rejected (as it is by most countries) the alternative is an agreement based on apportionment of benefits—in other words, the countries sharing possession of a river must also share the benefits from it, which makes the test of a diversion its reasonableness—and the proposed diversion is reasonable.

3. The diversion would not injure any downstream interests and the question of compensation does not arise.

4. If the question were to arise, however, the Boundary Waters Treaty gives Americans the same rights as, and no more than, Canadians; in this case the rights are defined by the British Columbia Water Privileges Act of 1892, which provides that only licensed users of water are entitled to compensation, and it is highly unlikely that the courts would interpret an American right of prior appropriation as the equivalent of a license issued by the British Columbia controller of water rights.

5. The prior appropriation doctrine invoked by the Americans applies only to actual use of water; it does not apply to plans to use water in the future; declaring the intention to build dams, or even having them under construction, is not prior appropriation.

6. As far as the Government of the United States is concerned, its only claims for compensation from Canada would be political, not legal; it is extremely unlikely that an international court would uphold them.

Here were two fixed positions, and if the countries involved had been different the argument might have been left there deadlocked.

However, the people facing each other across the table were neighbors and friends. They began to look for a compromise.

[From the Vancouver (B. C.) Province of April 25, 1956]

COLUMBIA RIVER CRISIS: 3. THE SOLUTION—JOINT DEVELOPMENT WOULD BENEFIT BOTH

(By Peter Inglis)

(Last of three articles)

SEATTLE.—As Mr. Leon J. Ladner, Q. C., of Vancouver, observed at the close of the Columbia River roundtable of the American Society of International Law, it would be an absurdity to think of Canada and the United States taking a dispute to the International Court of Justice or to consider the possibility of the United States abrogating a treaty after the two countries have observed it for nearly half a century.

By then, however, the discussion had drifted a long way away from the technicalities of the Boundary Waters Act and of Canadian rights to divert part of the river's flow, and had descended to practical commonsense.

A notable contribution came from Mr. Cameron Sherwood, onetime assistant United States attorney for the western district of Washington, who regretted that both sides had already taken insular positions and feared that if each proceeded independently both would suffer.

He argued for some sort of joint Canadian-American authority through which the two countries could share the full use of the river.

He was backed up by Mr. R. P. Parry, chairman of the Idaho Joint Commission for the Columbia River Compact.

Mr. Parry offered that compact, which has successfully reconciled what once seemed to be the irreconcilable interests of the States of Washington, Oregon, and Idaho, as a pattern for a joint Canadian-United States development and use of the Columbia.

The Columbia Basin, he argued, was a single unit, divided only artificially by the international boundary; to extract its full potential, planning must be applied to it as a whole. Doing otherwise, Canada would lose more power than she could gain by any diversion.

He proposed hydraulic and electrical integration of the two countries' shares of the basin—in other words, joint use of water and joint apportionment of the power derived from it.

With this latter point, the real nub of any settlement of the Columbia dispute had at last been reached; British Columbia must receive its fair share of the power the river creates, and in practice that means a share of the power developed by the $1,500,000,000 worth of dams now in service on the American section of the river, the $1 billion worth under construction, and the additional $2 billion worth now projected.

Strangely, nobody at the roundtable pointed out that the solution creates a new problem:

Today British Columbia's needs for power are relatively small compared with those of the American States in the Columbia Basin. But they are unlikely to remain so. The British Columbia Government's submission to the Gordon Economic Commission foresaw a nearly fivefold increase in the province's power consumption between 1955 and 1975, and this would alter the proportionate Canadian and American shares of Columbia power under any pooling arrangement.

This question had to wait until after the end of the roundtable before it was tackled.

The tackler was Prof. Maxwell Cohen, who holds the chair of international law at McGill and who had flown from Montreal to speak at the annual world affairs symposium dinner, held in conjunction with the international law meetings.

He said flatly it could be done, and his views are worth quoting in full:

"The entire Columbia River problem lends itself superbly not only to regional joint planning but to regional joint management.

"The only way we can assure the maximum utilization of the resources is by a commonly designed and agreed-on operation.

"This means something corresponding to a supranational or binational authority, and lessons might well be learned from the European steel and coal community, which has handled a much more difficult task.

"The only difficulty is that during the first period of operation the United States will need more power than Canada.

"It must be clearly understood, however, that as Canada's needs increase her allocation must rise, and the United States can have no vested interest in the first temporary allocation.

"The United States can compensate for this by preparing at the very same time supplementary sources of power originating in the United States such as, first, a more efficient utilization of the United States section of the Columbia and, second and more important, the development of atomic energy sources that are likely to come to fruition in the next 15 to 25 years."

In other words, American power for Canada, not Canadian power for the United States.

A visionary solution?

I thought so. But the Americans at the conference—many of them the hardheaded legal representatives of public bodies and private corporations with vested interests in the fullest development of the Columbia, seemed unanimous in their approval; the Seattle Times applauded Professor Cohen in a lead editorial.

And there it stands.

The disagreement that arose first from American refusal to accept Canada's terms for Canadian upriver storage of water for American turbines, and was accentuated by a Canadian proposal to divert the Kootenay into the Columbia and part of the Columbia's flow into the Fraser, has been taken out of the hands of the International Joint Commission and transferred to the ministerial and diplomatic level.

And here in Seattle a number of Canadians and Americans of good will have given the problem its first complete airing—with the department of external affairs and the State Department both asking for verbatim transcripts.

Perhaps this is a start toward settling potentially "the gravest crisis in modern United States-Canadian relations" (to quote Senator RICHARD NEUBERGER'S report to a com-

mittee of the United States Senate) in the way that has become traditional on this continent—by friendly agreement, not by conflict.

[From the Vancouver (B. C.) Province of April 26, 1956]

THE SEATTLE TIMES SAYS: "SHARE THE COLUMBIA'S RESOURCES"

As a footnote to the series of articles about the Columbia River debate, we reprint an editorial from the Seattle Times commenting on a Canadian proposal for settling what might become a serious dispute.

"A Canadian law professor has proposed an eminently reasonable method of approaching a solution of the dispute between his country and the United States over Columbia River power resources.

"Influential figures in the Canadian Government want to divert much of the upper Columbia flow into the Fraser River and thus keep the power in Canada. United States members of the International Joint Commission say that such action would infringe upon this country's vested rights.

"Maxwell Cohen, who holds the chair of international law at McGill University, Montreal, says many points might be made on both sides. But foregoing a lawyer's natural inclination to develop legal issues, he suggests a broader ocmmonsense approach: Why shouldn't the two friendly countries agree on a joint development plan?

"Cohen indicated that his first thought was toward a form of supranatural authority, somewhat similar to the plan under which nations of Western Europe have pooled iron and coal resources. This method might not be acceptable, but some form of effective cooperation should be sought.

"The basic fact is that the Canadian portion of the Columbia River, if harnessed by storage dams, will provide millions of kilowatts of additional power—partly in Canada, partly in the United States. If the water should be diverted to the Fraser River, the cost would be tremendous. The Fraser River fisheries would be endangered. Essentially the same number of added kilowatts would be produced as if the stored waters were permitted to flow down the Columbia River route. But all the added kilowatts, under the diversion plan would be produced in Canada.

"Canada clearly is entitled to reasonable payment, in dollars or kilowatts or both, if its upstream storage facilities are developed in a manner which adds substantially to power production at plants on the United States section of the Columbia. If the two countries approach the problem on the basis of a development plan that will utilize the full power potential at the lowest development cost, it should not be too difficult to reach an acceptable formula for sharing costs and power.

"This would be infinitely preferable to permitting the dispute to become acrimonious, leading the two countries to the World Court, and perhaps getting a decision that would satisfy neither."

PEACEFUL USES OF ATOMIC ENERGY

Mr. BUTLER. Mr. President, to conserve the time of the Senate, I ask unanimous consent to have printed in the body of the RECORD a statement which I have prepared, relating to the peaceful uses of atomic energy.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

It was my good fortune to be able to attend the International Conference on the Peaceful Uses of Atomic Energy, conducted under the auspices of the United Nations last August.

You will recall that this Conference was held as the first step to implement President Eisenhower's program to harness the atom for the peaceful uses of mankind. Secretary General of the United Nations, Dag Hammarskjold, in his opening remarks to the Conference on August 8, 1955, said, "Let us not fail to recall on this occasion that it is to the initiative taken by the President of the United States in the General Assembly of the United Nations in December 1953 that we owe the origins of this Conference." We can all take pride in President Eisenhower's leadership in this new field of human endeavor.

The Atomic Energy Act of 1954 makes it possible for us to share our basic knowledge concerning the atom with the scientists of other countries. Today's technology is based on our accumulated heritage; the scientific knowledge contributed by mathematicians, scientists, and scholars from earliest times living in many countries of the world. Each new discovery provides material for further research to extend our boundaries into the unknown. Sharing our research in this new field is the greatest contribution we can make toward enabling all the peoples of the world to use this great potential source of energy for the benefit of mankind.

Toward this end we have furnished technical libraries of nonclassified data on nuclear energy and its applications to 44 countries under the atoms-for-peace program. They include Italy, Spain, Australia, Sweden, Greece, Egypt, Burma, Denmark, Austria, the Philippines, Finland, Turkey, the Netherlands, New Zealand, Portugal, Peru, South Africa, Israel, Norway, India, Argentina, France, Japan, Brazil, the Council for European Nuclear Research (Switzerland), Chile, Republic of China, Dominican Republic, Haiti, Lebanon, Pakistan, Switzerland, Thailand, Uruguay, and the United Nations Library in Geneva. Additional libraries will be presented to Ceylon, Korea, Luxembourg, Guatemala, Costa Rica, Iraq, Venezuela, and Iceland.

The library was developed by the Technical Information Service of the Atomic Energy Commission. It occupies 300 feet of library shelving and weighs approximately 1,000 pounds. It consists of about 10,000 Atomic Energy Commission research and development reports, 34 bound volumes of scientific and technical texts on nuclear theory, and 11 bound volumes of abstracts of some 50,000 reports and articles published in this country and abroad. The library will be kept current and additional reports will be supplied as they are issued.

This program will make it possible for those foreign students, who come to the United States to study nuclear theory at the Argonne National Laboratory in Chicago, to continue their research after they return to their own country.

On March 28, Ambassador Henry Cabot Lodge, Jr., presented the library to the United Nations in New York. This is a further contribution to the program launched by President Eisenhower before the General Assembly of the United Nations in December 1953, now made possible by the Atomic Energy Act of 1954 enacted by the Republican 83d Congress.

Obviously, no classified material or information on atomic weapons will be included in these libraries. Our interest is only to further the peaceful uses of atomic energy. Ambassador Lodge stated that we expect to receive similar information for libraries in this country from those nations which are the recipients of our gifts.

I append at this point the text of Ambassador Lodge's statement on this occasion.

STATEMENT BY AMBASSADOR HENRY CABOT LODGE, JR., UNITED STATES REPRESENTATIVE TO THE UNITED NATIONS, AT THE PRESENTATION OF THE ATOMIC ENERGY LIBRARY TO THE UNITED NATIONS

When speaking of atomic energy, we have become accustomed to talking in terms of reactors and megatons, kilograms of fissionable materials, and millions of dollars for equipment and research. Today we are talking only of books—but books are the bedrock of scientific progress.

The library which the United States Government has the honor of presenting to the United Nations today contains 45 volumes of information on basic research in atomic energy as well as many thousands of articles and technical reports published in this country and abroad. There are also many thousands of cards which index and describe all the nonclassified literature of the Atomic Energy Commission.

This library will be kept up to date by the Atomic Energy Commission as new material becomes available.

In a statement made on the floor of the General Assembly on November 5, 1954, I announced that the United States was prepared to make available to other countries the vast amount of documentation on atomic energy that was already freely published—totaling more than 200,000 pages of information. I suggested that we would be able to give 10 libraries containing these documents to countries interested in using them.

Since that time, not 10 but more than 40 countries have requested these libraries; 33 have already been presented and the others are on their way. Several more have been given to regional and international organizations interested in atomic energy development.

Our only request in return is that other cooperating nations send us their collections of official nonsecret papers to be placed in appropriate libraries in the United States.

The United States program of using the atom for man's betterment rather than for his destruction has proceeded along two lines of action; making facilities available and making information available. As President Eisenhower has said, our purpose is to spark the creative and inventive skills, to put them to work for the betterment of the conditions under which men must live. The President has also stressed this must be a joint effort—"a continued partnership of the world's best minds."

For these reasons, it is a pleasure for me today to present to the United Nations headquarters this library, symbolized by this one volume, for the use of the United Nations Secretariat and the delegations of member countries.

AUTHORIZATION FOR THE COUNTY OF CUSTER, MONT., TO CONVEY CERTAIN LANDS TO THE UNITED STATES

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3254) to authorize the county of Custer, State of Montana, to convey certain lands to the United States, which was, on page 2, after line 13, insert:

SEC. 2. The Secretary of the Interior is hereby authorized to sell to the city of Miles City, Mont., under the terms and conditions of sections 2, 3, and 6 of the act of June 16, 1950 (64 Stat. 233), as amended, any portion of the lands conveyed to the United States under section 1 of this Act which the Secretary determines is excess to the needs of the Department of the Interior.

Mr. MURRAY. Mr. President, the Committee on Interior and Insular Affairs, having considered the amendment

of the House, reports favorably thereon and recommends that the Senate concur in the House amendment.

I so move.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I express the hope that the Senate will be able to complete action on the bill today. I can see no reason for extended debate, especially since the Senate debated the vetoed bill, H. R. 12, at great length, and most of the provisions of the pending bill are taken from H. R. 12.

To begin with, the pending bill, as it came from the House Committee on Agriculture, was substantially the same as the bill which the President vetoed, with the exception of two Titles—Titles I and V. Title I of H. R. 12 dealt with 90 percent of parity price supports, reinstating the dual parity formula, and a few other minor provision. Title V of H. R. 12 would have provided two-price systems for wheat and rice. As I have said, those two titles of the original bill which was vetoed by the President were eliminated. The resulting bill, as reported to the House by the House Committee on Agriculture, was essentially the same as H. R. 12, as adopted in conference, without, of course, titles I and V.

On the floor of the House several amendments were adopted. Those amendments were carefully considered by the Senate Committee on Agriculture and Forestry, which eliminated three of them.

The first one was to extend the acreage reserve program to grazing lands, and all field crops designated by the Secretary. As Senators will recall, when the Senate version of H. R. 12 was considered several weeks ago an effort was made to place grazing lands in the program; that proposal was voted down. Also an amendment was offered to include other crop lands in the acreage reserve program, which would have had the effect of placing in the acreage reserve program any crop whose production was found by the Secretary of Agriculture to be in excess of domestic consumption requirements. As I recall, that amendment was proposed to the Senate by the Senator from Maine [Mr. PAYNE] and other Senators from the northeastern section of the United States. The general objective of the amendment was to permit potato growers and the producers of other similar nonbasics to participate in the acreage reserve program of the soil bank. The House saw fit to place a similar amendment in the bill. The Senate Committee on Agriculture and Forestry struck that provision from the bill.

In order to implement its broadened acreage reserve program, the House increased the authorized appropriation for acreage reserve purposes from $750 million to $800 million. The Senate committee reduced that authorization to the original amount of $750 million, since our bill omits the authority for including grazing lands and field crops in the acreage reserve.

An amendment adopted on the floor of the House extended to all agricultural commodities the prohibition on leasing Government lands for agricultural production. The Senate Agriculture Committee interpreted that amendment to mean that it would have prevented the grazing of cattle, sheep, and other animals. As a result, the committee struck that provision from the House bill, and reinstated the original language of that section—language contained in the vetoed bill. This language, instead of applying the prohibition to all agricultural commodities, confined its application to price-supported crops. Thus on all Government lands, the prohibition against planting and use will apply only with respect to price-supported crops.

The Committee on Agriculture and Forestry sought to give to the President everything he asked for in regard to the soil bank, wth one exception. That one exception was the authority to make advance payments. I shall discuss that point in a moment.

Since the President, through his Secretary of Agriculture, had fixed price supports at levels ranging from 82.5 percent to 86.2 percent of parity on basic crops, it was felt that it would be an idle gesture if we attempted in committee to reinstate higher price supports. Therefore the committee contented itself with the rigid price-support system fixed by the Secretary of Agriculture and suggested by the President in his veto message.

As I have said on several occasions, it was my considered judgment that in order to take the sting out of his veto message, the President suggested that price supports be raised and made rigid administratively, instead of their being fixed legislatively in the manner Congress sought to fix them.

It has been said that the price supports announced by the President are fair as to all commodities. I challenge that statement, and I am sure that many other Senators, as well as many farmers, will also challenge the statement. The Benson-Eisenhower program of administratively-fixed rigid price supports does not treat all basic commodities fairly, equally, or on the same terms. The program is a lopsided, one-sided program. It is an election-year monstrosity.

As I shall point out in a prepared statement in a few moments, corn received treatment that was far better than that accorded any other basic crop; in fact, corn was treated better than any other crop. It will be remembered that the biggest ruckus with respect to the farm bill was raised in the commercial corn area. Yet, as a matter of fact, I do not know of any other section of the farm bill which caused the Committee on Agriculture more trouble, and on which it spent more time, than the corn and small-grain provisions of the bill.

I presume that because of the discontent which existed in the commercial corn area, with respect to income, support levels, and acreage allotments, the President saw fit to raise the support price on corn in the commercial area from 81 percent of parity to 86.2 percent, or to $1.50 a bushel. That level was to apply to those commercial corn farmers who complied with acreage allotments. However, as to all other corn produced in the commercial corn area—that is, where the farmer did not comply with his acreage allotment—the President, through his Secretary of Agriculture, administratively fixed a price support of $1.25 per bushel. This was done for the first time in the history of our present price-support law.

As a result, in the corn area we have an anomaly. Those farmers who abide by acreage allotments will receive a support price of $1.50 a bushel, or 86.2 percent of effective parity. Those who do not comply will receive $1.25 a bushel, or about 75.7 percent of modernized parity—which is the equivalent of 71.8 percent of effective parity. By virtue of this double-barreled approach—one applied only to the commercial corn area—it is my humble judgment—and I imagine the judgment of many other Senators, as well as many farmers—that corn has received highly preferential treatment. The committee discussed the advisability of giving similar treatment to all other commodities. However, in fear that doing so would result in another veto, the committee decided to retain the system of price supports as fixed, or to be fixed, by the Secretary of Agriculture in accord with the President's veto message. Let me turn now to the advance payments scheme which was suggested by the President. The bill does not authorize advance payments for soil-bank participation. In this respect, the Senate committee follows the House bill. The majority of our committee felt that such payments would be unwise, impractical, and basically unsound.

For my own part, I consider the pay-in-advance proposal only an agricultural will-o'-the-wisp—something which appears attractive when viewed from afar, but which disappears when approached for close examination.

We have been told that the pay-in-advance scheme would increase farm income. Nothing could be further from the truth. Advance payments would not represent extra income. That is a matter of pure logic. Since soil-bank payments would be based upon the money a farmer might have netted had he planted his land instead of placing it in the soil bank, the most he might receive would be a payment equal to his net income had he planted those acres. Thus, any attempt to becloud the issue by declaring that soil-bank payments this year for participation in the soil bank next year will increase income, is pure and simple hokum.

For any such payment received in advance by a farmer in 1956 he would get that much less in 1957. I do not believe it to be either commonsense or sound policy for Congress to offer American farmers a political lollypop this year, at the expense of paying for the lollypop next year.

The farm price program we formulate this year must be a program based upon our best judgment as to what is sound

policy, not merely what is the most expedient election-year policy. It must consider the future, as well as the present. Nineteen fifty-seven will bring its own share of farm problems; there is neither excuse nor necessity for compounding next year's problems by putting off until then the problems we should face today. The American farmer has never asked his Government for anything but fair and equitable treatment. That is what he expects; that is what we must give him.

Title I of the bill provides for a soil bank consisting of an acreage reserve and a conservation reserve. The acreage-reserve program would be applicable to wheat, cotton, corn, peanuts, rice, various kinds of tobacco, and feed grains. It would not be applicable to grazing lands or to field crops to be designated by the Secretary, as was provided by the House bill. There are no acreage allotments for grazing lands or for field crops generally. Acreage-reserve programs for them would have presented many problems. The conservation-reserve program would be applicable to all cropland, including lands devoted to crops, such as tame hay, which do not require annual tillage.

Acreage-reserve payments would be required to be made as soon as compliance with the acreage-reduction requirements of the program had been determined, and could not be made before that time. Conservation-reserve annual payments could begin as soon as the producer had set aside his land and taken all practicable steps to establish the conservation use on it.

In that connection, Mr. President, I wish to say that we wrote into the report a provision that a farmer who desired to place some of his land in the conservation reserve could do so and receive payment therefor, provided he has set the land aside, and provided he shows a clear intention not to use the land to produce crops. In the event such farmer desired to plant certain of his land in trees, and if the trees were available, they could be planted immediately; if not, the land could be set aside. In that case the farmer would be entitled to receive conservation-reserve payments. We felt that he should not be in any way punished because he might not be able to get sufficient grass seed for the acreage set aside or a sufficient number of trees to plant on the acres he set aside. Let me read the language in the report to which I refer. It is found on page 6:

> Subject to section 105 (b) it is intended that the Secretary shall have authority under the Soil Bank Act to provide for making payments to producers prior to their compliance with all the terms and conditions of the program for the year for which the payment is made. Thus, it would be permissible for the Secretary in contracts entered into under the conservation-reserve program for any year to provide that all or a part of the annual payment (provided for in sec. 107 (b) (2)) to which a producer would be entitled for compliance with the conservation-reserve program for such year would be made when the producer certifies that the cropland which he has agreed to devote to a conservation use had actually been devoted to such use or that he has actually set aside such cropland for such conservation use and has taken all practicable steps to establish the conservation use on the cropland so set aside. Under section 111, the Secretary is specifically authorized to furnish producers materials and services to assist them in establishing the conservation use provided for in their contracts. It is also intended that the Secretary shall have authority to make cost-sharing payments under section 102 (b) (1) in a similar manner for use by a producer in defraying that part of the cost to be incurred by the producer in establishing the conservation use which the Secretary has agreed to bear.

So, Mr. President, with that language in the report, declaring our intention, it is my judgment that the Secretary of Agriculture can, if he so desires, put the soil-bank program into effect this year, without any question.

Conservation reserve cost-sharing payments could be made as the work progresses, or the Secretary could furnish materials or services for such work, or make payments to suppliers furnishing such materials or services.

I may say, Mr. President, that the soil-bank provisions have not been basically changed. Virtually the same language incorporated in the original bill—the bill vetoed by the President—is contained in the bill now before the Senate. So I can see no need to spend very much time in rehashing and rediscussing that portion of the bill. Consequently, I again express the hope that debate on this bill will not be too extensive.

Title II of the bill treats of surplus disposal and provides for—

First, the orderly liquidation of CCC stocks of agricultural commodities. It is in almost the identical language which was incorporated in the bill vetoed by the President. For the sake of the record, I shall gloss over and point out the various provisions under title II of the bill.

It provides further for—

Second, submission by the Secretary to Congress of surplus disposal, food stamp, and food stockpiling programs.

Third, reinclusion of $1\frac{11}{16}$ inch and longer cotton in the 45.7 million pound import quota now applicable to cotton stapling $1\frac{1}{8}$ inch up to $1\frac{11}{16}$ inches.

Fourth, sale for export of current CCC stocks of extra long staple cotton.

Fifth, sale at competitive prices for export of a sufficient quantity of cotton to reestablish the United States share of the export market.

I shall explain that program in detail a little later, Mr. President, because in that section of the bill the Senate committee made changes as compared with the provisions which were in the original bill as passed by the Senate. It is known as the Eastland amendment.

Sixth, agreements with foreign countries to limit their exports of agricultural commodities and products to the United States.

Seventh, additional annual appropriations of $500 million to supplement section 32 funds.

Eighth, transfer to the supplemental stockpile of materials acquired by CCC through barter for agricultural commodities.

Ninth, duty-free importation of strategic materials acquired by CCC through barter.

Tenth, authority to pay $15,000 per annum to an agricultural surplus disposal administrator.

Eleventh, authority to use CCC funds to pay ocean freight costs on donations under title II of Public Law 480, or section 416 of the Agricultural Act of 1949.

Twelfth, a bipartisan commisison to recommend means of increasing industrial use of agricultural products.

That section was phrased in the same language contained in the original bill, with some exceptions which I shall point out a little later.

Thirteenth, donation of food commodities to Federal penal institutions and to State correctional institutions for minors.

Fourteenth, denial of price support or other benefits for surplus agricultural commodities grown on certain future Federal irrigation or drainage projects.

Fifteenth, payment by CCC of processing costs on food commodity donations under section 416 of the Agricultural Act of 1949.

The only differences between this title and title III of H. R. 12 are as follows:

First. Section 203 was not contained in House Resolution 12 which was vetoed by the President; however, it is very similar to a provision contained in House Resolution 12 as it first passed the Senate. It would direct the Commodity Credit Corporation to offer cotton for export at prices not in excess of those charged by other exporting countries and, during the marketing year beginning this August, at prices not in excess of the minimum prices charged under the export program announced August 12, 1955. The experience of recent weeks demonstrates that only nominal amounts of cotton will be sold under the present export program. Competitive pricing is the key to increased cotton exports, and American cotton must be permitted to move freely into world trade.

This provision, coupled with authority included in the House bill permitting the President to impose import quotas on foreign-made textiles, could result in considerably reducing the carryover of cotton in the United States, without injury to domestic users of cotton—provided, of course, the programs are administered in accord with the intent of Congress.

Mr. President, Senators will recall that recently an effort was made to sell surplus cotton under Secretary Benson's vaunted surplus disposal program. What the Secretary of Agriculture did was to place a floor—a fixed price—under which the cotton could not be sold. The original intent was to sell that cotton at world prices; by the time the State Department got through with the program, the cotton was offered at prices substantially above world prices.

The purpose of this amendment is to prohibit the Secretary of Agriculture from placing a floor price above the world market on surplus cotton he sells for export.

That is the essential difference between the original Eastland amendment

and the provision which we have incorporated in the pending bill.

In other words, the next time the Secretary of Agriculture attempts to sell surplus cotton on the world market, he will have to permit the cotton to be sold at world prices, whatever those prices may be. He is, in effect, prohibited from placing an arbitrary floor under the price of cotton.

The second change among the 15 different subjects which I mentioned a moment ago was in section 209. That section remains substantially the same as it was in the conference report, except that it omits the language designating the committees of Congress to which proposed legislation recommended by the Commission on Increased Industrial Use of Agricultural Products would be referred.

It will be remembered that the provision, in a measure, had the effect of changing the Senate and House procedure as to the reference of bills. When the so-called Curtis amendment was reinstated in the bill, that part with reference to bills being referred to committees, and also other procedure to be followed, was stricken, so that any bill introduced must now be referred under normal procedure.

Title III of the bill relates to marketing quotas and acreage allotments, and is similar to title IV of H. R. 12. It provides for:

First. Extending to the 1956 and 1957 wheat crops, the surrender and reapportionment provisions which were applicable to the 1955 crop.

Second. Minimum national and State cotton acreage allotments in 1957 and 1958 equal to those for 1956. A slight change was made in that provision, and I shall explain this item a little later.

Third. Mandatory minimum cotton acreage allotments in all counties, including counties making farm allotments on a history basis, and the allotment of an additional 100,000 acres among States and counties on the basis of their needs for additional acres to provide minimum allotments to farms entitled thereto, and to provide fair allotments to other farms. That provision is effective only in 1957 and 1958 and is the same as that passed by the Senate when it considered H. R. 12.

Fourth. Minimum national and State rice acreage allotments in 1957 and 1958 equal to those in 1956. This provision is identical with the one in that first bill, with the exception that we have now added the year 1958. It will be recalled, as I shall explain more fully a little later, that the vetoed bill contained a 2-price plan for rice, and in that 2-price plan the acreage for 1957 was frozen. The pending bill provides a 2-price plan for rice, as I shall indicate later, but it is not mandatory; it is left to the Secretary of Agriculture to impose it if he desires to do so.

Let me state at this point, Mr. President, that the purpose of the cotton and rice acreage freezes provided in this bill is to preclude further drastic reductions in cotton and rice acreage, thus precluding at least in part, any more of the disastrous income-cutting which mandatory acreage cuts have heaped upon the heads of producers of these commodities in recent years. The acreage freeze is, in effect, a method by which we hope to put a floor beneath income of the producers of rice and cotton. We have applied the freeze to both State and national allotments for good reason. This application was not made to mitigate against the interests of cotton farmers in any State: rather, it is in the bill because the very purpose of the acreage freeze requires that it be there.

Since the acreage freeze has been imposed as purely an emergency measure, it would frustrate the very purpose of that freeze to permit shifts in cotton acreage from one State to another. Our desire was to assure farmer A in State X that his cotton acreage allotment, for example, would remain as nearly the same in 1957 and 1958 as it is today. With an acreage freeze in effect, it would be grossly unfair for farmer A in State X to have his acreage further reduced in 1957 and 1958 in order to increase the acreage of farmer B in State Y. With the freeze in effect, permitting acreage to shift from State to State, it would, to all intents and purposes, increase the income of some farmers, while the income of others would be reduced.

As I stated a moment ago, a formula has been incorporated in the pending bill whereby cotton acreage would be increased by 100,000 acres in order to assist small farmers. That was done in order to give to small farmers what we determined to be a fair, minimum amount of acreage.

We have felt, and I hope the Senate will agree, that since an acreage freeze is to be imposed as an emergency measure—and such a freeze is obviously necessary—then it should be a complete freeze. It should not permit one farmer to benefit from that freeze at the cost of another farmer in another State. To do so would frustrate the entire purpose of both the cotton and rice acreage freezes.

Fifth. An increase in the marketing penalty for peanuts from 50 to 75 percent of the support price;

Sixth. Six percent interest on peanut marketing penalties and a lien on the crop for such penalties;

Seventh. Preservation of the acreage history for allotment purposes of farms foregoing the planting of their allotments during the period 1956 to 1959; and

Eighth. Price support levels and requirements for corn in the commercial area during the years 1956 through 1959, and for corn outside the commercial area and other feed grains in 1956 and 1957.

The provisions I have just mentioned under items 5, 6, and 7 are the same as those which were incorporated in the bill vetoed by the President.

As to item 8, in the light of the changes made by the Secretary of Agriculture administratively in regard to the price supports on corn, the Senate committee saw fit to make an effort to place the producers of small grains on at least a somewhat equal footing with the corn producers.

The provisions dealing with corn and feed grains were among the most difficult provisions to work out in the consideration of H. R. 12 and also in the consideration of the current bill. It was the purpose of Congress in H. R. 12 and of your committee in considering H. R. 10875 to provide price supports for each of the feed grains which would bear a fair and normal relationship to the support prices for the others, particularly for corn, which is the principal feed grain. The committee's recommendations have been designed to reflect the changed circumstances which have resulted from the actions of the administration since Congress passed H. R. 12.

In the President's message announcing his veto of H. R. 12, a new, revised program of rigid price supports for 1956 was announced. Under this new program, corn producers in the commercial corn area were the beneficiaries of rank favoritism. The entire program was a program by corn, of corn, and for the benefit by corn. Other feed grain producers were shabbily treated. Their competitive position was imperiled; the only logical end-result of the veto-message price support schedule, as announced, would have been to provide a bonanza for corn farmers in the commercial area—both compliers and noncompliers.

In his veto message of H. R. 12, the President objected to the feed grain price support provisions of that bill on the grounds that they would increase feed prices and distort price relationships. At that same time he stated that administrative action would be taken to raise the support price of corn, the principal feed grain, from $1.40 or 81 percent of parity—which had previously been fixed—to $1.50, or 86.2 percent of parity, and that the corn price support for non-cooperators would be raised from zero to a price to be announced. Since the veto message, the support price to cooperators has been fixed at $1.50, and the support price to noncooperators has been fixed at $1.25. The support price to producers outside the commercial area has been raised from $1.05 to $1.12½.

The committee saw no justification for fixing the support price for a farmer who is subject to acreage allotments, but does not comply with them, on the basis of a support level of $1.25, and fixing the support price for the farmer across the road who is not subject to acreage allotments on the basis of a support level of $1.12½.

The committee has, therefore, left the price for producers in the noncommercial area at 82½ percent of the level in the commercial area as prescribed by the House bill. This would result in a price of $1.237, which corresponds closely to the $1.25 price for noncooperators. The committee also felt that increasing the price support level for corn from 81 percent to 86.2 percent of parity, and increasing the price support available to noncooperators from zero to $1.25, would certainly result in distortion of the price relationships between corn and the other feed grains, unless corresponding increases were made in support levels for the other feed grains. The price of $1.25 fixed by the Secretary for noncooperators is equal to 75.7 per-

cent of the modernized parity price for corn, and the committee therefore fixed the 1956 support prices for the feed grains—that is, barley, oats, rye, and grain sorghums—at 76 percent of parity. Since support at $1.25 for noncooperators does not depend upon compliance with acreage allotments or whether an acreage reserve program is in effect for corn, the support price for 1956 for the feed grains would also be made available without regard to compliance with acreage requirements or soil-bank participation, and without regard to whether an acreage reserve program is in effect for corn.

In other words, we sought to give the producer of small grains a fair deal. In light of the fact that the President saw fit to have his Secretary of Agriculture administratively fix support prices for corn—I would say arbitrarily—at $1.50 in the commercial area for those farmers who remain within their allotted acreages, or $1.25 where the sky is the limit and they can plant as much as they want, we thought it was only fair to treat the producers of other feed grains in a similar fashion.

The formula I have just indicated would be effective for 1956 only. What prompted us to come to that conclusion was that because of the lateness of the season, it is now impossible to establish base acres for small feed grains.

The committee also considered the feed grain situation with respect to 1957. It will be recalled that the bill which the President vetoed provided for price supports for small-grain producers, conditioned on their planting only 85 percent of their base acreage. We have changed that, as I shall indicate, so as to place the producers of corn, both in the commercial area and in the noncommercial area, and all the small feed grain producers, in the same boat, we have accorded them, as nearly as we could, the same treatment.

For 1957 the bill would fix the support price for each of the commodities—barley, oats, rye, and grain sorghums—at a percent of parity 5 percentage points below that at which corn is supported in the commercial area. That was the same figure which was incorporated in the original bill. To obtain this price, feed grain producers would have to comply with acreage requirements and soil bank participation requirements similar to those for corn. Instead of being required to keep within 85 percent of their feed grain base acreage, as provided by H. R. 12 and the bill as passed by the House, they would be required, under the bill as it would be amended by the committee amendments, to keep within 100 percent of their feed grain base acreage.

That base acreage would be established by the Department of Agriculture, using the average plantings of those who produced small grains for the years 1955, 1954, and 1953.

If support were made available in 1957 to corn producers not complying with acreage requirements or soil bank participation requirements, support would have to be made available to feed grain producers not complying with similar requirements applicable to feed grains. In other words, it is another effort to place corn and feed grain producers in the same boat.

In such case the noncompliance support price for each feed grain would be required to be fixed at a level bearing the same relationship to the compliance feed grain support price as the noncompliance corn support price bore to the compliance corn support price. If noncompliance corn support prices were not made available in 1957, the Secretary would not be required to establish noncompliance feed grain support prices, but he would have the authority to establish such prices if he saw fit.

Section 308 (a) of the bill requires corn producers to comply with base acreage and soil bank participation requirements whenever base acreages are in effect for corn, and makes acreage allotments ineffective for 1956. Section 103 (b) (1) of the bill as it passed the House provided for base acreages for corn for each year for which an acreage reserve program is in effect. While the committee felt that an acreage reserve program can and should be made effective for 1956, the Secretary has indicated that he may not be able to institute such a program this year. Under the language of the House bill, if a program were not instituted, corn producers apparently would not be subject to any acreage restrictions in 1956; and the committee therefore recommended an amendment to section 103 (b) (1) to provide for a base acreage for corn for 1956 without regard to whether there is an acreage reserve program for corn for 1956.

Mr. President, the effect of this is simply to tell the corn farmers that if they desire the $1.50 price fixed by the Secretary for 1956, they will have to comply with acreage allotments based upon a national acreage of 51 million acres, instead of the present 43.3 million acres.

It will also be necessary for compliance that the farmer place in the soil bank the equivalent of 15 percent of his base acreage—in the conservation reserve if there should not be an acreage-reserve program in 1956—or, if he desires, and the Secretary should proclaim an acreage-reserve program, then the 15 percent could be taken out of his base acreage and put in the reserve acreage. But, I repeat, that would be only in case the Secretary of Agriculture should proclaim an acreage-reserve program.

The proviso inserted in section 308 (a) by the House, and retained by the committee, would permit the Secretary to provide price supports for corn producers not complying with base acreage and soil bank participation requirements.

Under the bill as passed by the House, the feed-grain price-support provisions for 1956 would be applicable only if an acreage-reserve program were in effect for corn. Since the Secretary has indicated a possibility that there might not be an acreage reserve for corn in 1956, the committee recommended an amendment, which would make these provisions applicable whether an acreage-reserve program were in effect for corn or not.

Aside from the treatment of feed grains, the only differences between title III of H. R. 10875 and H. R. 12, as passed by the Congress, are as follows:

First. Section 302 provides for apportionment of the 1957 and 1958 cotton-acreage allotments among the States in the same proportion that they shared in 1956.

Second. The provision contained in title V of H. R. 12, providing for a minimum national acreage allotment for rice for 1957 and its apportionment among the States in the same proportion that they shared in 1956, has been transposed to this title, and extended to 1958.

Title IV of the bill, which deals with forestry, provides for assistance to States for tree planting and reforestation, and for forest-product price reporting and research. Both sections of this title were passed by the Senate as part of H. R. 12, but the price-reporting and research provision was omitted from H. R. 12 as it came from conference. So the committee simply reinstated that amendment, which was offered by the distinguished Senator from Minnesota [Mr. HUMPHREY].

Title V of the bill provides for a two-price plan for rice, including a redefinition of "normal yield" necessary to facilitate its administration. This redefinition or "normal yield" was done at the suggestion and request of the Department; that is to say, the Department suggested that it would be best to include that language. The two-price plan is similar to that contained in H. R. 12, except that it would be discretionary, rather than mandatory.

Mr. President, there has been much talk about the two-price plan approach. It is now time for us to see how it works. Rice, which is a crop produced in only a few States, would be a guinea pig. In my humble judgment, if the two-price system should be applied and if there should be no interference in its operation from the State Department, it might open up a new avenue by which we can dispose of a great deal of these crops that we shall produce in the future, and thus in a measure recover our lost export markets.

This title would not be applicable in 1956, but could be made applicable for the years 1957 and 1958, or for the years 1958 and 1959 if the Secretary determined that the initiation of such a program was administratively feasible and in the best interests of rice producers and the United States.

Mr. President, as I have indicated, the two-price plan for rice is purely discretionary. The committee was advised that it might not be possible to put the two-price plan for rice into effect during 1956. The Secretary is given authority to put the rice program into effect for the years 1957 and 1958 or for the years 1958 and 1959 if he sees fit.

Title VI of the bill provides for—

First. Price support at competitive levels for cottonseed and soybeans if price support is made available for either. That provision was incorporated in the original bill.

Second. Freezing the transitional parity price for corn, wheat, and peanuts during 1957 and 1958 at 95 percent of their old parity prices; and

Third. A study of methods for improving the parity formula.

The provision for freezing the transitional parity price is the only provision in this title which was not contained in H. R. 12 as it passed the Congress.

Mr. President, it is my hope that the bill reported by the committee will be passed quickly and without change. It does not include all the provisions which I should like to have it contain, but considering what the President has done administratively in the past few weeks, this bill will assist—if administered as the Congress intends—in reducing production, and reducing surpluses without further depressing farm income.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Louisiana may yield to me at this time without losing the floor, for the purpose of permitting me to suggest the absence of a quorum and to propose a unanimous-consent agreement.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have at the desk a proposed unanimous-consent agreement. I ask that it be read.

The PRESIDING OFFICER. The clerk will read as requested.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Friday, May 18, 1956, at the conclusion of routine morning business, during the further consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed agreement?

Mr. ELLENDER. Mr. President, reserving the right to object, I wonder whether it can be understood that since consideration of the bill will continue on tomorrow, we shall debate the bill today only until perhaps 5 or 6 p. m. Many Senators have dinner engagements.

Mr. JOHNSON of Texas. Mr. President, if the proposed agreement is entered into, I shall give the Senator from Louisiana assurance that the Senate will not sit later than 6 p. m.; and then the Senator from Louisiana can keep his engagement and the majority leader can keep his.

Mr. ELLENDER. Very well.

The PRESIDING OFFICER. Is there objection to the proposed agreement? Without objection, the proposed agreement is entered.

ORDER FOR RECESS UNTIL 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I give notice that the Senate will meet at 10 a. m. and will complete action on the bill tomorrow, if it is at all possible to do so.

Mr. BENDER. At what time?

Mr. JOHNSON of Texas. We shall convene at 10 a. m., and shall remain through the evening, if necessary.

Mr. BENDER. Very well.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF INDONESIA

Mr. JOHNSON of Texas. Mr. President, before the Senate takes a recess so that it may go to the Hall of the House of Representatives to hear an address to be delivered by the President of Indonesia, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Pursuant to the order heretofore entered, the Senate will now stand in recess, subject to the call of the Chair, and will proceed to the Hall of the House of Representatives, to hear an address to be delivered by the President of the Republic of Indonesia.

Accordingly (at 12 o'clock and 24 minutes p. m.), the Senate took a recess, subject to the call of the Chair.

The Senate, preceded by the Secretary, Felton M. Johnston; the Sergeant at Arms, Joseph C. Duke; and the Vice President, proceeded to the Hall of the House of Representatives to greet and to listen to the address to be delivered by His Excellency President Sukarno of the Republic of Indonesia.

(For the address delivered by the President of Indonesia, see House proceedings in today's RECORD.)

At 1 o'clock and 40 minutes p. m., the Senate returned to its Chamber, and reassembled when called to order by the Presiding Officer (Mr. DOUGLAS in the chair).

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I should like to propound a unanimous-consent agreement, as follows:

I ask unanimous consent that the committee amendments to the pending bill be agreed to en bloc, and that the bill as so amended be considered as original text for the purpose of amendment.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. As I understand, under the unanimous-consent agreement proposed by the Senator from Louisiana, the right of any Senator to offer an amendment to any section of the bill will be preserved. Is that correct?

Mr. ELLENDER. The Senator from Texas is correct.

Mr. JOHNSON of Texas. That is customary.

Mr. BUSH. Mr. President, reserving the right to object, I should like to inquire whether the proposed agreement is agreeable to the Senator from Vermont [Mr. AIKEN].

Mr. ELLENDER. I am sure it will be. It is the customary agreement which is entered into.

Mr. JOHNSON of Texas. It is customary.

Mr. ELLENDER. If the Senator from Vermont objects, I will withdraw it.

Mr. BUSH. On that basis, I shall not object.

The PRESIDING OFFICER. Without objection, the unanimous-consent agreement is entered into, and the committee amendments are agreed to en bloc.

The amendments of the Committee on Agriculture and Forestry, agreed to en bloc, are as follows:

On page 3, line 21, after the word "the", to strike out "1956"; in line 22, after the word "crops", to insert "and to the extent he deems practicable for the 1956 crop"; on page 4, line 5, after the word "respectively" to strike out "and such other field crops as the Secretary may designate"; on page 5, line 6, after the word "occurs" to strike out "within" and insert "not later than"; in line 8, after the word "Secretary.", to strike out "In addition to the foregoing the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."; on page 6, line 17, after the word "apply" to insert "to the termination of any contract"; on page 7, line 1,

after the word "established" to insert "for 1956 and"; on page 8, line 16, after the word "feed" to strike out "grain" and insert "grains"; on page 10, line 9, after the numerals "1956" to insert "(if such a program is in effect for such year)"; in line 11, after "(a)", to strike out the comma and "including grazing lands."; in line 17, after the word "acreage" to strike out "allotments," and insert "allotments or"; in line 18, after the word "acreages", to strike out "or other standards,"; on page 12, line 17, after the word "exceed", to strike out "$800,000,000" and insert "$750,000,000"; in line 22, after the figures "$23,000,000", to strike out "grazing lands, $50,000,000;" and insert "and"; in line 23, after the figures "$45,000,000", to strike out the semicolon and "and other crops, $50,000,000"; on page 13, line 6, after the word "farm" to strike out "acreage," and insert "acreage"; on page 14, line 9, after the word "do", to strike out "no" and insert "not"; on page 22, line 12, after the word "reimburse", to strike out "and" and insert "any"; on page 30, line 11, after the word "of", to strike out "agricultural commodities" and insert "price supported crops"; on page 33, after line 2, to insert:

EXPORT SALES PROGRAM FOR COTTON

SEC. 203. In furtherance of the current policy of the Commodity Credit Corporation of offering surplus agricultural commodities for sale for export at competitive world prices, the Commodity Credit Corporation is directed to use its existing powers and authorities immediately upon the enactment of this act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries and, in any event, for the cotton marketing year beginning August 1, 1956, at prices not in excess of the minimum prices (plus carrying charges, beginning October 1, 1956, as established pursuant to Section 407 of the Agricultural Act of 1949) at which cottons of comparable qualities were sold under the export program announced by the United States Department of Agriculture on August 12, 1955. Cottons of qualities not comparable to those of cottons sold under the program announced on August 12, 1955, shall be offered at prices not in excess of the maximum prices prescribed hereunder for cottons of qualities comparable to those of cottons sold under such program, with appropriate adjustment for differences in quality. Such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

On page 34, line 6, to change the section number from "203" to "204"; in line 19, to change the section number from "204" to "205"; on page 35, line 6, to change the section number from "205" to "206"; on page 36, line 4, to change the section number from "206" to "207"; in line 12, to change the section number from "207" to "208"; on page 37, line 18, to change the section number from "208" to "209"; on page 39, line 22, to change the section number from "209" to "210"; on page 40, line 10, to change the section number from "210" to "211"; on page 41, line 23, to change the section number from "211" to "212"; on page 42, line 19, after the word "section" to insert "and the provisions of section 344"; in line 23, after the numerals "1956" to insert "and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956"; on page 45, line 20, after the word "prescribed" to strike out "percentages" and insert "percentage" on page 47, line 1, after the word "minimum" to strike out "State"; in the same line, after the word "for" to strike out "1956"; in line 2, to strike out the word "Crop"; after line 2, to strike out:

SEC. 304. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows.

And in lieu thereof to insert:

SEC. 304. Section 353 (c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

In line 22, after the word "acreage.", to strike out the quotation marks "; at the top of page 48, to insert:

"(6) The national acreage allotments of rice for 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956."

On page 49, line 19, after the word "future" to insert "State, county, and"; on page 50, at the beginning of line 14, to insert "(if such program is in effect"; on page 51, line 19, after the word "law", to strike out "for each of the years 1956 and 1957 in which an acreage-reserve program will be in effect for corn," and insert "(1)"; in line 22, after the word "for", to insert "the 1956 crop and, if an acreage-reserve program is in effect for corn, for the 1957 crop of"; on page 52, line 1, after the word "area" to insert "(2) the level of price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats, shall be 76 percent of the parity price for the commodity,"; in line 4, after the word "and", to insert "(3) if an acreage-reserve program is in effect for corn,"; at the beginning of line 6, to insert "the 1957 crop"; in line 8, after the word "for", to strike out "each such" and insert "the"; in line 14, after the word "of", to insert "the 1957 crop of each of"; in line 23, after the word "of", to strike out "85 percent of"; on page 53, after the word "area", to strike out "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 percent of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection." and, in lieu thereof, to insert: "Notwithstanding the foregoing provisions of this section—

"(1) if price support for the 1957 crop of corn is made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support shall be made available for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) to producers not meeting the foregoing requirements of this subsection at a level bearing the same relationship to the level of price support to producers of such feed grain who meet such requirements as (i) the level of price support for corn to producers in the commercial corn producing area not meeting the requirement of subsection (a) bears to (ii) the level of price support for corn to producers in such area who meet such requirements; and

"(2) if price support for the 1957 crop of corn is not made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) may, nevertheless, be made available to any producer who does not meet the requirements of this subsection at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price support program."

On page 56, after line 15, to insert:

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

SEC. 402. (a) For the purposes of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and

demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary.

On page 58, after line 8, following the amendment just above stated to insert:

TITLE V—CERTIFICATE PROGRAM FOR RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates"; (2) by changing the designation of subtitle D thereof to read as follows: "Subtitle E—Miscellaneous Provisions and Appropriations"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"Subtitle D—Rice Certificates

"Legislative Findings

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this act.

"Effective Date and Termination

"SEC. 380b. Sections 380c through 380g (c) shall be effective beginning with the first crop of rice, subsequent to the 1956 crop and prior to the 1959 crop, for which the Secretary determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers and the United States. Unless extended by law, the provisions of this subtitle shall not apply to rice of any crop following the second crop for which a program is in effect under sections 380c and 380g (c).

"Rice Primary Market Quota

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"Apportionment of Primary Market Quota

"SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"Review of Primary Market Quota

"SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this act.

"Price Support

"SEC. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on any crop of rice for which a program is in effect under sections 380c through 380g (c) at such level, not less than 50 percent or more than 90 percent of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of any crop to which this section is applicable, but all the other provisions of such act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"Certificates

"SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"(c) The provisions of section 385 of this act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 percent of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"Inventory Adjustment Payments

"SEC. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of the beginning of the marketing year for the first crop of rice for which a program is in effect under sections 380c through 380g (c): *Provided, however,* That such payments shall not be made with respect to rice of such crop, imported rice, or rice acquired from Commodity Credit Corporation. The amount of such payment per hundredweight shall be the amount by which the estimated average price paid producers during the marketing year for the preceding crop exceeds the estimated average support price for the first crop for which a program is made effective. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"Rice Set-Aside

"SEC. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of 60 days after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), not exceeding 20 million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"Exemptions

"SEC. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed 3 acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"Processing Restrictions

"SEC. 380k. (a) Each person who on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"Import Restrictions

"SEC. 380l. Each person who, on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), imports processed rice into the United States shall acquire certificates issued under section 380g of this act covering the rough rice equivalent of such processed rice.

"Regulations

"SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"Civil Penalties

"SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"Reports and Records

"SEC. 380o. (a) The provisions of section 373 (a) of this act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $2,000 for each such violation.

"(b) The provisions of section 373 (b) of the act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"Definitions

"SEC. 380p. For the purposes of this subtitle—

"(a) 'cooperator' shall have the same meaning as under the Agricultural Act of 1949, as amended.

"(b) 'processing of rough rice' means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"(c) 'processed rice' means any rice from which the husk or hull has been removed and includes, but is not limted to—

"(1) whole grain rice,

"(2) second head milled rice,

"(3) screenings milled rice,

"(4) brewers milled rice,

"(5) undermilled rice or unpolished rice,

"(6) brown rice,

"(7) converted rice, malekized rice, or parboiled rice, and

"(8) vitaminized rice or enriched rice.

"(d) 'United States' means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) 'exporter' means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"(f) 'rough rice equivalent' means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than 100 pounds of rough rice for each 68 pounds of processed rice.

"(g) 'import' means to enter, or withdraw from warehouse, for consumption."

On page 67, after line 20, after the amendment just above stated, to insert:

Normal Yield for Rice

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) 'Normal yield' for any county, in the case of rice, shall be the average yield per acre of rice for the county during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

"(E) 'Normal yield' for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

"(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such 5-year period is less than 75 percent of the average, 75 percent of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such 5-year period is in excess of 125 percent of the average, 125 percent of such average shall be substituted therefor in calculating the normal yield per acre.

And, on page 69, after the amendment just above stated, to insert:

TITLE VI—MISCELLANEOUS

Price supports—cottonseed and soybeans

SEC. 601 (a) Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market."

(b) The amendment made by this section shall take effect with the 1956 crop.

Transitional parity for basic commodities frozen during 1957 and 1958

SEC. 602. Section 301 (a) (1) (E) (ii) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (E) (ii), is amended by inserting after "full calendar years" the following: "(not counting 1956 or 1957 in the case of basic agricultural commodities)." The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

COMMENTS ON VISIT AND ADDRESS OF PRESIDENT SUKARNO, OF INDONESIA

Mr. HUMPHREY. Mr. President, a very few moments ago we listened to a remarkable address by the President of Indonesia. I wish to say that I was deeply moved by his address. It was excellent, it was profound, and I think it was a lesson or an education and experience for Members of Congress in being permitted to hear directly from one of the great leaders of a free country a statement as to the attitudes of the peoples of Asia, their reflections and observations on the principles and the practices for which America stands.

Mr. President, the Congress, the Capital, and the country today are welcoming President Sukarno, of Indonesia. Within a few hours after his arrival here yesterday, President Sukarno had already won the esteem of Washingtonians. His personal friendliness and skill as an ambassador of good will are qualities which have impressed all of us on first acquaintance, just as they must have impressed little 5-year-old Richard Peterson, of Duluth, Minn., who engaged President Sukarno in a well-publicized curbstone interview downtown yesterday.

But President Sukarno himself has described his present mission as something more than a good-will visit. At the airport yesterday, his first words were:

I have come here to confirm or to modify the impressions of your country which I have collected for so many years.

I have come here to America to learn something from America—not in the first place from America merely as a country—merely as a nation, merely as a people, but from America as a state of mind, from America as a center of an idea.

Mr. President, I think it would be well for all Americans to reflect for a considerable period of time on this description and definition of America—America as a state of mind, a state of values; America as the center of an idea.

I am sure President Sukarno was referring to the idea of human freedom and the constant and continuous emancipation of human beings in their talents, their abilities, and their capacities.

Mr. President, let us hope that the ideas of freedom, independence, human dignity, and progress which have so long been the goals of this Nation will be confirmed for President Sukarno in everything that he hears and sees during the 19-day tour of the United States on which he is about to embark.

Mr. President, 3 editorials and 2 articles concerning Dr. Sukarno's visit which have come to my attention during the last 24 hours seem to me to reflect especially well the warmth of our welcome to our distinguished visitor. The editorials appeared in the Washington Post and Times Herald yesterday, in the Washington Star yesterday, and in the New York Times this morning. The articles appeared in the Washington Star last night.

I ask unanimous consent that these items be printed in the RECORD at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star of May 16, 1956]

DR. SUKARNO'S VISIT

It is interesting, and perhaps even significant, that President Sukarno of Indonesia has chosen to come to the United States on the first official visit he has ever made away from his homeland. But it is not really surprising that he has done this. For he has long been a great admirer of our American system, and his most favored heroes are Paul Revere, Thomas Jefferson, and Abraham Lincoln. More than that, as another measure of what he thinks of our way of life, it is worth noting that primarily because of his influence his country's constitution, along with its 1945 declaration of independence, is patterned after ours in both letter and spirit.

These are points that should receive due consideration in any effort to evaluate Indonesia's position in relation to the free world and the world of communism. Ever since achieving full sovereignty in 1949, when the Dutch colonial rule came formally to an end, the country has grown increasingly neutralist, and its Communists—who rank fourth in political strength in the islands—have seemed to be worming themselves into more and more power. What is reassuring, however, is that 54-year-old Dr. Sukarno—an enormously popular and highly talented

leader—is an anti-Red whose devotion to individual and national liberty has been proved over and over again. And the same holds true for all the key members and elements of his government.

After his 3-day stay here in the Capital this week, Dr. Sukarno, together with his large and distinguished official party, will spend about a fortnight visiting various parts of our country. As the George Washington of one of the world's most populous nations (80 million people)—a nation whose 3,000 islands are immensely rich in natural resources—he will have ample opportunity to talk with and to Americans representing all walks of life. This promises to be a mutually beneficial experience, one that should help diminish any misunderstandings that may exist now between us and the Indonesians, particularly regarding the general nature of our Government's foreign policy as it bears upon Asia and such issues as colonialism.

As for formal negotiations, there will be none, but President Sukarno undoubtedly will exchange views with our top officials on a number of political and economic matters. In that respect, as well as in others, his trip here can do much to strengthen relations between his country and ours. In any case, Washington and the United States as a whole, valuing both his and Indonesia's friendship, have reason to feel honored by his visit, and he and his party can be sure of a hearty welcome wherever they travel among us.

[From the Washington Post and Times Herald of May 16, 1956]

PRESIDENT SUKARNO

Greetings to the George Washington of Indonesia on his arrival in Washington on a state visit. President Sukarno (he has no given name) has been his country's chief ever since it became independent of the Dutch. This relationship began a decade ago, yet Sukarno seems a permanent fixture. This is because he will always be regarded as the father of the Indonesian revolution. He and his Vice President, Mohammed Hatta, signed a declaration on August 7, 1945. Nobody except the Dutch knew them then. And the Dutch knew them only as thorns in their side whom they had to keep off-and-on in jail as dangerous agitators. In the last 10 years Sukarno, in his plain black Moslem cap and white drill coat, has demonstrated a familiarity as one of the most colorful personalities of the new Asia.

Fifty-six years old, he is the son of a Javanese schoolmaster and Balinese mother. By profession he is an engineer. But in his twenties he found he had a voice of singular enchantment to convey the message of freedom which burned in his youthful heart. To his deep-voiced oratory he joined a gift of organization, and by 26 he had founded and was the first chairman of the Indonesian Nationalist Party. His influence spread like wildfire among the Javanese.

Sukarno still has the power to set fire by his magic words. The art of his speaking lies in his skillful use of slogans, generally his own, and the light and shade which he imparts to his histrionics. He is always a show unto himself—thus appealing to the gaiety as well as the passion of the simple people. Nobody has his intimate knowledge of the problems of the peasantry, not only in Java but elsewhere in the archipelago. His is the self-avowed "gospel of the common man," and his towering standing was sufficient to end the disparateness between the Javanese and the Sumatrans when he became President.

Sukarno is not a common man, however, in his tastes and inclinations. Not so well educated as some of his fellow revolutionaries, he still is versed in literature and the arts. He quotes Shakespeare copiously, even to the common man, and he is a devoted admirer of Jefferson and the American Declaration of Independence. He was responsible for the introduction of the national red-white flag with its rampant and unchained bull in the center; he also wrote the national anthem. Intoxication has now worn off Indonesian freedom, and responsibility may now be the preoccupation of the Indonesian leaders. We hope Sukarno and his hosts will learn something from each other in the exercise of great authority.

[From the Washington Star of May 16, 1956]

BOY, 5, FINDS SUKARNO HAS WARM HEART

Indonesia's President Sukarno wasted no time today in establishing himself as an official visitor with a heart.

Only minutes after he had arrived in the District, Dr. Sukarno asked the driver of his automobile to stop a short distance from the reviewing stand across from the District Building.

While police and secret-service men milled around and newsmen watched with surprise, the Indonesian President got out of the car and strode over to the curb where 5-year-old Richard A. Peterson, of Duluth, Minn., was waving an Indonesian flag. Grinning, Dr. Sukarno stopped to shake hands with the boy, who smiled warmly back.

Suddenly, young Richard noticed photographers crowding in for closeups. Self-consciously, in the manner of all 5-year-olds, he squatted down on the curb and dug his knuckles into his eyes.

Dr. Sukarno sized the situation up in an instant. He went back to the car, took his own son, Guntur, 12, by the hand, and went back to where Richard was crouching in confusion.

With another child in the act, Richard's trouble disappeared. The two boys shook hands, and the Indonesian President and his son continued, on foot, to the reviewing stand.

The notables on the stand straightened up to receive their distinguished visitor, but the time was not quite yet. Dr. Sukarno spotted a motherly looking woman among the spectators on the sidewalk. He walked over, took her by the hand and kissed her on the cheek.

"This is an Indonesian kiss," Dr. Sukarno told the startled woman, Mrs. Leonore Coon, of 1228 I Street NW.

Mrs. Coon was flustered, but not too flustered to reply, "Oh, no, that was an American kiss."

Dr. Sukarno smiled, turned away and proceeded to the reviewing stand. The reception got underway at last.

[From the New York Times of May 17, 1956]

WELCOME TO DR. SUKARNO

The esteem in which the United States holds the newly independent nations which have recently risen from colonial rule to sovereignty is illustrated again by the warm welcome given yesterday in Washington to President Sukarno of Indonesia and his party. They have come at the invitation of President Eisenhower on what is both a state visit and a goodwill mission and will be guests of this Nation for the next 3 weeks.

As Secretary Dulles has emphasized, there is a basic bond of sympathy between the United States and a country like Indonesia, if only because of their similar colonial antecedents. How thoroughly President Sukarno is aware of this common bond is shown in his opening speech at the Bandung conference, in which he hailed the American War of Independence, as the first successful anti-colonial war in history.

Indonesia is so new a country that, as was the case of the United States during its early history, it is bending backward to guard against any infringement of its independence. For that reason it is following a neutralist policy of nonalinement with any power group, and President Eisenhower has expressed undertsanding and respect for that policy. For the same reason, Indonesia has fought shy of extensive American aid.

It is gratifying that President Sukarno and his party have come to the United States to take a first-hand look at this country and its people, and that, in Dr. Sukarno's words, they will seek "real understanding and friendship" between their country and ours. They will find that the United States will glady reciprocate.

[From the Washington Star of May 16, 1956]

SUKARNO GIVEN WARM SALUTE BY DIGNITARIES—INDONESIAN PRESIDENT WILL OBSERVE UNITED STATES AS "CENTER OF AN IDEA"

President Sukarno of Indonesia arrived at National Airport at 11:42 a. m. today and observed:

"I have come to learn something from America * * * from America as a state of mind * * * as a center of an idea."

He was met at National Airport by Vice President NIXON, Secretary of State Dulles and Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff. He was flown on the last leg of his trip, from Hawaii, in President Eisenhower's personal plane, the Columbine. With the Indonesian President was a large party, including his son, Guntur, 12.

President Sukarno, dressed in a "personal uniform" and wearing the national headdress, a high-crowned, brimless velvet cap called a kopiah, smiled a greeting to the welcoming dignitaries and told Mr. NIXON in excellent English that he had a "pleasant" trip. After hearing the national anthems of Indonesia and America and taking a 21-gun salute, the guest reviewed an honor guard of Army, Navy, Air Force and Marine units.

NIXON RECALLS VISIT

In a formal welcoming speech Mr. NIXON recalled having met Dr. Sukarno in Indonesia 2½ years ago.

"You, like our own George Washington, led your people from colonialism," the Vice President said. Mr. NIXON said he hoped this visit would strengthen the bond of friendship between the two countries.

"I am very happy to be in Washington today," Dr. Sukarno replied in an extemporaneous speech in English.

"I am grateful for the invitation President Eisenhower and the American Government rendered to me. I am also grateful for the kind reception here.

"I have come to America to see your country with my own eyes. I have come to observe the great achievements of the great American Nation.

"A STATE OF MIND

"I have come here to confirm or to modify the impressions of your country which I have collected for so many years.

"I have come here to America to learn something from America—not in the first place from America merely as a country—merely as a nation, merely as a people, but from America as a state of mind, from America as a center of an idea.

"I carry with me the greeting of the Indonesian people to you. I carry with me the thanks of the Indonesian people to you for all the assistance you gave us for the national reconstruction period."

President Sukarno rode in a cream-colored Chrysler convertible with Mr. NIXON to the Lincoln Memorial. Then the car drove down spectator-lined Constitution Avenue to the reviewing stand in front of the District Building, where District officials extended a welcome.

MORRIS EXTENDS WELCOME

Dr. Sukarno was welcomed in the name of the District by Edgar Morris, chairman of the

citizens' reception committee, and Robert E. McLaughlin, president of the District Board of Commissioners. The Commissioner presented him with the key to the city.

The Indonesian President thanked everyone for the hospitality of the city and added, "A man's life is unpredictable indeed."

He recalled:

"I am the son of poor parents. My father was a small teacher whose salary was 25 guilders a month—that is $10 in American money.

"Thirteen years of my life I have passed in prison and exile. Just now I am being honored by you, received by you with great hospitality. * * * I have been only 1½ hours in Washington, but I feel quite at home."

After the District's greeting Dr. Sukarno went to the White House.

When the procession reached the White House, President Eisenhower walked briskly down the front steps to clasp Dr. Sukarno's hand.

The two Presidents and Dr. Sukarno's son posed for pictures before entering the White House for luncheon.

The visiting President and his party went to Blair House after the luncheon. Tonight at 8 Dr. Sukarno will attend a state dinner given by Mr. and Mrs. Nixon at the Pan American Union.

Invited to the White House luncheon, in addition to Dr. Sukarno, were 14 members of his party and 45 American officials of the highest rank.

On the guest list were Mr. Nixon; Chief Justice Warren; Secretary Dulles; United States Delegate to the United Nations Henry Cabot Lodge, Jr.; Secretary of Commerce Weeks; Secretary of Labor Mitchell; Secretary of Health, Education, and Welfare Folsom; Budget Director Percival F. Brundage; Lewis L. Strauss, Atomic Energy Commission Director; Allen W. Dulles, Central Intelligence Agency Director; John B. Hollister, International Cooperation Administration Director; and State Department officials, including Assistant Secretary of State Walter S. Robertson.

Guests from Capitol Hill included House Speaker RAYBURN; the dean of the Senate, WALTER GEORGE, of Georgia; Senate Republican Leader KNOWLAND; Senate Majority Leader JOHNSON; and Democratic and Republican Representatives.

The Indonesian guests in addition to Mr. Sukarno were the Ambassador to Washington, MoeKarto Notowidigdo, and these Indonesians who accompanied their President Sukarno here:

Roeslan Abdulgani, Minister for Foreign Affairs; Zainul Arifin, first deputy chairman of the Indonesian Parliament; Dr. Wirjono Prodjodikoro, chief justice; A. K. Pringgodigdo, chief of the President's Cabinet; Sanusi Hardjadinata, Governor of West Java; and Vice Air Marshal Suryadarma, air force chief of staff.

Also the Honorable Suwirjo, president director of the Indonesian Industrial Bank; Dr. Johnnes Leimena, member of Parliament; Sutarto Hadisudibjo, member of Parliament; Colonel Nazir, commander of naval bases in Java; Col. J. F. Warrouw, commander of the 7th Army Division; Dr. Ouw Eng Liang, physician to the Indonesian President; and Lieutenant Colonel Sugandhy, aide de camp to the Indonesian President.

Mr. Sukarno (he has no first name) comes at the invitation of Secretary of State Dulles, who visited him in the Indonesia capital, Djakarta, last autumn.

He will be shown every attention while he is here. It is felt in official circles that if he is favorably impressed with what he sees of Western life it may dilute somewhat the anti-Western bias that 300 years of Dutch rule has instilled in the hearts of him and his countrymen.

ACCOMPANIED BY FOREIGN MINISTER

The 4-day stay is a visit of state and there is no agenda drawn up. Mr. Sukarno is accompanied, however, by his Foreign Minister, who at a stopover in Singapore expressed the view that United States aid would be most welcome to the young republic. Indonesia has greater natural resources than any other country of southeastern Asia but is desperately poor in the way of educated or technically trained people.

Mr. Sukarno, who speaks to Indonesians as their Bapak (father), is the founder and the leader of the country's dominant political group, the Nationalist Party, which won the first parliamentary election recently held in Indonesia.

A coalition government of which Ali Sastroamidjojo, former Indonesian Ambassador to the United States, is Prime Minister has been formed. It is made up of the Nationalist Party, the Moslem Party, and the Moslem Teachers' Party. No Communists, Western observers were relieved to see, have been taken into the cabinet, although they won approximately 15 percent of the seats in the newly formed 270-member house of representatives.

The resurgence of the Communist Party in Indonesia, the third largest republic in the world, has been a matter of grave concern in the West. In 1948 they attempted a military coup, to free Indonesia from President Sukarno. The movement was smashed and its leaders executed.

REDS AIDED BY MOSCOW

But the party pulled itself together and with financial aid from Peiping and Moscow began to organize again. Some of its financial strength is derived from contributions made by members of Indonesia's dominantly Chinese financial interests.

The first government of Mr. Sastroamidjojo, which operated with Communist support, supposedly gave the Reds considerable respectability in Indonesia. Communists now dominate the largest labor union, talk in nationalist terms, ride with the prevailing tides. They polled one-fifth of the total vote cast in the recent elections.

The results of a second election, to determine the membership of Indonesia's first constituent assembly, have not yet been announced. Until they meet, the stature and tenure of President Sukarno's office will not be ascertained.

Now, he is an immensely popular leader of 80 million people, a superb orator whose prestige is felt throughout the neutralist world of southeastern Asia. Western critics have expressed concern that Mr. Sukarno's anticommunism has never been as vigorously stated as his anticolonialism. This attitude, however, seems understandable in a man who spent some 7 years in Dutch jails.

His slogan: "One people, one country, one language," sparked the long fight for Indonesian independence which was climaxed with a proclamation of independence (signed by him and Hatta) issued on August 17, 1945. At the same time, Mr. Sukarno declared himself president. He was unanimously elected to the office when the Dutch gave up the fight in 1949.

After the Bandung Conference a convocation of Asian-African leaders which was held in April 1955, Red China's premier, Chou En-lai, was cordially entertained by the Indonesians and, with the Indonesian premier, issued a joint statement promising "close cooperation in order to strengthen the mutual understanding and friendly relations between the two countries."

Mr. Sukarno opened the Bandung Conference with a reference to the anniversary of the ride of Paul Revere. He is a serious student of American history who has found ideals, it is said, in Washington and Jefferson.

The State Department is hopeful that meetings with President Eisenhower and other officials may instill a similar admiration for present-day American leaders.

Tomorrow he will visit Mount Vernon, address a joint meeting of Congress, visit the National Gallery, the Washington, Jefferson, and Lincoln Memorials.

Mr. HUMPHREY. Mr. President, as one Member of Congress, as a Senator, I personally extend the hand of fellowship to our distinguished visitor, and say that I trust the wish he expressed in his address, the hope which he so brilliantly stated, that there may be an enduring friendship between the United States of America and the Republic of Indonesia, may be realized in our time as well as in the days to come.

HOW LONG CAN THE FAMILY FARMER STAY ON THE FARM?

Mr. SYMINGTON. Mr. President, as we know, this year the Senate has devoted more time to the consideration of the farm problem than to any other single issue. It is the No. 1 domestic problem facing our country today.

In this connection, Mr. President, I read with a great deal of interest a recent article in the Saturday Evening Post by Winifred Bryan Horner of R. F. D. No. 1, Columbia, Mo., entitled, "How Long Can We Stay on the Farm?"

I wrote Mrs. Horner, and I ask unanimous consent that my letter, together with her reply, be printed in the RECORD at this point.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

APRIL 16, 1956.

MRS. DAVID (WINIFRED BRYAN) HORNER,
Rural Free Delivery, Route 1,
Columbia, Mo.

DEAR MRS. HORNER: It has been a long time since I have read an article with as much interest as I did yours, How Long Can We Stay on the Farm?

May I offer my congratulations to you for its content, as well as the way you have so ably expressed the problem and the thoughts incident thereto.

Inasmuch as I have recently gone on the Senate Agriculture Committee, it would be a privilege to talk to you and your husband sometime when I am back in Missouri. I hope it can be arranged when convenient to you.

Again, congratulations on the magnificent piece of work, and good luck to you and yours.

Sincerely,

STUART SYMINGTON.

APRIL 22, 1956.

Mr. STUART SYMINGTON,
The United States Senate,
Washington, D. C.

DEAR MR. SYMINGTON: My husband and I are overwhelmed at the response we have received from my article in the Post, How Long Can We Stay on the Farm? Most of the letters have been from other young farmers thanking us for telling their story, which I attempted to do in an honest, straightforward and unhysterical way.

Of all the letters we received we were most grateful for yours of April 16, because we felt it represented a sincere interest in our problem. We would like to talk to you anytime you are in Missouri, and would arrange our schedule to suit your convenience.

You will not find us ready with an easy solution to the farming problem, since any

of us who is acquainted with the problems knows that there is no easy solution. However, we do know many of the problems, particularly the ones in our area, and if we can be of service to you in any way by answering questions or supplying information we would consider it a privilege to be able to help. If you would like we could arrange a meeting for you with 2 or 3 farmers from the Missouri area, who, like us, are not waving any flags, but are concerned with the long-term economic and social welfare of agriculture.

We would like very much to have an opportunity to talk with you any time that you might suggest.

Very sincerely,

WINIFRED BRYAN HORNER,
(Mrs. David A.)

Mr. SYMINGTON. Mr. President, when Secretary of Agriculture Ezra Taft Benson appeared before the Senate Agriculture Committee on April 19, I asked the Secretary if he had read this fine article. He said he had not, so I suggested that he, or a member of his staff, take the time to read it. In fact, I commend this article to all nonfarmers whether they be working people, bankers, businessmen or public servants.

I hope the Secretary has read it since then, because this article presents vividly the problems faced by our farmers today.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article entitled "How Long Can We Stay on the Farm?" written by Mrs. Winifred Bryan Horner and printed in the Saturday Evening Post of April 14, 1956.

I respectfully recommend it to all Members of the Senate, because Mr. and Mrs. Horner are the type of persons who should be able to make a success in any field of endeavor.

They are qualified and dedicated young farmers in whom American agriculture and America itself have a great stake. Yet their problem, as well as that of hundreds of thousands of other family farmers, is well stated in the title of the article, "How Long Can We Stay on the Farm?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW LONG CAN WE STAY ON THE FARM?

(By Winifred Bryan Horner)

I know how the last buffalo must have felt before they put him on the nickel, because we, too, belong to a species that is becoming extinct. We are one of the young farmer families who, in the changing agricultural economy of this country, are caught in the current price squeeze. We don't have to read the newspapers to know that. In our record books the story is clear to anyone who can add, subtract or see red.

We are the displaced persons of the year. In the midst of an abounding prosperity, we are facing our own private depression. While nonfarm income has gone up 68 percent since 1947, the farm income has dropped 38 percent. Apparently our economy is burdened with surpluses of corn, wheat, rice, cotton and farmers. No one yet has suggested that we plow under the farmer, but it seems to follow that some of us should get out of the business. There is a happy theory that this process will naturally leave only the efficient farmer.

Who really is staying on the farm? In rare instances it is the young man who has inherited or married into a going farm concern. Frequently, it is the incompetent worker who cannot go elsewhere. It is the untrained farmer with less than a high-school education who is seldom drawn to the city anyway. His alternatives are limited and the attractions are not overwhelming. He'd rather be poor in a house with a view from a hilltop than to look through a cracked windowpane in an overcrowded flat.

In most cases, the person who is staying in agriculture is the older man who paid for his farm during the golden era of agriculture, 1939 to 1951. This man, with an unmortgaged $50,000 operation, can supply his income needs with a less than 5-percent return on his capital and nothing for his labor.

The young farmer down the road with a similar $50,000 enterprise is necessarily faced with a mortgage on which he must make an annual 5-percent interest payment to the banker. And if he is capable and college-trained, big business is leaning over his pasture fence waving an attractive pay check. This is the farmer who is abandoning agriculture—the competent, well-trained man under 40 who can double or triple his income by going into another field.

How can the present farm economy possibly hold this young man? And what will agriculture's future be without him?

We have been farming for 10 years. With a background of three generations of lawyers, engineers, and teachers, my husband grew up in St. Louis with an ambition to farm. In college, I worked on my A. B. degree with one eye on my books and the other on Dave. He ranked in the upper 1 percent of his class and graduated in agricultural engineering. We went into farming knowing that it was a business of high risk, keen competition, and low return. We did not expect to become wealthy. We were willing to forego a big salary in return for a 100-acre backyard for our children, the independence of being our own bosses and the beauty of a greening field on a sunny day. With adequate training, at least average brains, and a willingness to work hard together, we expected to make a decent living and a good life.

We invested our original capital of $7,500 in a milk cow and 130 acres of fertile but hilly land near Columbia, Mo. The 4 years' on-the-farm training to which Dave was entitled as a veteran was the boost we needed to get started. The VA instructor provided good technical help and the $90-a-month allotment guaranteed our eating in spite of our mistakes and allowed us to reinvest the farm income in livestock and machinery. A farmer is all in one—capital, labor, entrepreneur. At this point, we were mostly labor, but we were gaining some badly needed experience.

After 5 years in the hills, we were ready to branch out. The city shine was pretty well rubbed off. We had accumulated many blisters and calluses and a fair supply of know-how and capital. We figured, and agricultural economists agreed, that our small capital would return more if we concentrated it on modern, efficient machinery and more livestock, instead of trying to stretch it to cover land investment as well. With this idea, we sold our farm at a good price and entered into an owner-tenant arrangement that is customary in the Midwest. We supplied the machinery and labor. Our partner supplied the land. The livestock was owned jointly, and the profits were split 50–50.

From our point of view, the success of the partnership depended on the productivity of the land. With the same machinery, Dave's labor could produce crops five times as efficiently on flat, fertile ground as it could on hilly, infertile land. We also felt that the landowner must share with us a healthy interest in the farm dollar as a part of his living income. A wealthy man whose farm is a weekend hobby or an income-tax deduction is often very hard to rent from profitably because he is not interested in the immediate productivity of his farm in terms of dollars and cents.

After 2 years of fairly successful tenancy, we felt we were ready to go back into land investment in a modest way, and we needed a permanent home for our growing family. I had been making loud, clucking noises like a broody hen that wants a nest for her chicks—a 4-year-old, a 2-year-old and one on the way. In addition to the 245-acre farm that we purchased at this time, we continued our existing tenant arrangement and later took over operation of another farm for which we paid a flat annual cash rent. By this time we were in high finance, not as to profits but in the staggering number of figures involved in the bookkeeping. To help keep the records straight we had a separate checking account for each farm, and I found it a temptation, when our own balance got low, to embezzle a little for groceries from one of the others. A habit which the bookkeeper deplores and maintains will land me behind bars.

Dave sees the farm situation from all angles. During the day, he is the laborer and he cusses the "damn capitalists." After supper, he works over the books and mutters about the hired help. At 11 he goes to bed and nurses a managerial ulcer.

So now we are operating 600 acres of land, part of which we own and most of which we rent from others. We are beginning to hurdle one of the toughest obstacles of modern agriculture—to compete, you have to mechanize; to mechanize, you have to have acreage enough to warrant the machinery investment. You can't afford the land investment without the machinery; you can't afford the machinery without the land. By this time, the size of our operation both requires and justifies our considerable investment in modern machinery, and our crop work is almost entirely mechanized.

We had started with a team of half-broken horses that were thrown in on the purchase of our original farm. Our change from the muscle-and-blood type of horsepower was to a 1930 model tractor. On cold mornings Dave built a corncob fire under it to get it started. His theory, which seemed fairly sound, was that if it wouldn't start, he might as well burn it up anyway.

To stock this size operation with the kind of cattle we would like would require a considerable cash outlay. So we have had to increase our cattle herd slowly through the process of simple reproduction and not-so-simple borrowed money. We borrowed the money to buy a cow, which produced a calf, which produced a check, which paid for part of the cow. If this process would proceed without any hitches for 10 years, 4 cows would normally produce a herd of 41 cows, 20 yearling heifers and the accumulated income from 81 steers. Ain't nature grand? What isn't mentioned is that cows get kidney infections or Bang's disease, or they get baling wire in their stomachs and stretch out their mortgaged heads and die leaving you holding the note. The calves sometimes don't get born just because ma was too choicy in her sex life. On the farm, the reluctant lady is finished off in short order—hamburger.

In livestock farming, we learned never to underestimate the importance of the bull. This may seem like an obvious statement, but I am talking about his economic potential to the herd. The qualities of a good cow are reproduced in one calf once a year. The bull is reproduced in our herd 30 to 35 times each year. Consequently, whenever there's any extra cash, it goes into the purchase of a better bull with more steak on his southwest quarter.

Our savings account is on the hoof. No matter how short the ready cash, we keep the best heifer calves for the permanent herd and market only the steers and undergrade females. My first thought, when the bills get pressing, is to cash in some of those dol-

lars in the pasture, but Dave regards them as our "steak" in the future. Like any good stockman, he knows each cow and never misses a sore eye on "Huntsdale Heifer," a barbed wire cut on "Bones" or a slight limp in "Old Cow's Second Calf." Today we have one of the better smaller herds of grade cattle in the county. Our bull won the blue ribbon in the commercial-cattle class at the fair and our pen of five calves took second place.

After 8 years, our acreage had increased fivefold, representing a $60,000 land investment, although only a small portion of this was our own capital. Our machinery had increased from 1 team to a $6,000 line of equipment. Our cattle had increased from 1 milk cow to 35 good-quality Hereford cattle. Most important, like any sound businessman, Dave had learned to produce a good product. Our calves sold as "good-to-choice" feeders. Our crop yields were above average for our county. Our record looked good and we felt confident we were operating on a safe margin and could withstand a normal weather hazard or a reasonable drop in the market.

That was in the fall of 1951. One year later we were $4,200 poorer. In September, 1951, we had 30 head of cattle worth about $300 apiece, a herd investment of $9,000. In September, 1952, the $300 cow had dropped to $160. The cattle were worth $4,800. Today the same cow has gone down to $110.

Other commodities have followed. In February, 1948, a bushel of corn on the free market was worth $2.80. Last fall it marketed for 95 cents. At the same time the cost of producing a bushel of corn has steadily increased. The tractor to plow the field now costs $800 more; the corn picker $400 more. The taxes on our 245-acre farm have almost doubled since 1948. Since 1947, farm income, in terms of what it can buy, has decreased 45 percent.

Close on the heels of falling prices, in 1953 and 1954 we had two record-breaking droughts. Water became our most valuable resource. We knew that our house water supply would be inadequate during dry periods, but decided that the $2,000 for a deep well could be better invested in livestock and machinery, and we could have water hauled when necessary. We failed to anticipate that the bank account and cistern would go dry at the same time. I improvised a suds saver for the automatic washer out of a barrel, a piece of hose and a few scientific principles. No one turned on a faucet without due consideration, and baths were at a minimum, a state of affairs which delighted the children.

One evening, without thinking, I mentioned to some guests from town that it cost 5 cents every time we flushed the toilet. That night, after they went home, I found a neat stack of nickels in the bathroom.

But personal inconveniences were nothing compared to the tragedy of seeing our crops and pastures burn up before our eyes. In the summer of 1954, the view from our windows was desolate and our account books looked just as bleak. The cost of gasoline, seed and fertilizer to put in our crop was about $2,000. Our gross income on what was left of the crop was $275—a cash loss of $1,725. Return on land and machinery investment, nothing. Return on about 500 hours of Dave's labor, nothing. What's this thing they call a minimum wage?

Have you ever tried to work out a budget on an income of minus $2,000? It was at this point that Dave, like most of the farmers in our area, had to get a job off the farm. We gnawed our living expenses to the bone, but we couldn't cut out the three meals a day. As it turned out, Dave couldn't escape the weather. For 6 months he worked for an air-conditioning company—the mechanical approach. Now he is a meteorologist with the United States Weather Bureau—the scientific approach. At present he is putting in 40 hours a week at the Weather Bureau and 40 on the farm.

We have managed to survive our greatest natural hazard—weather. The unseasonable frosts of Michigan and Minnesota, the wet spells of Iowa, the droughts and dust storms of the Midwest are the farmer's calculated risks. But, can we now survive the hazards peculiar to the present agricultural economy? Can we continue to pay $3,000 for a tractor and use it to produce corn that sells for only 95 cents a bushel? We are faced today with the problems of widely fluctuating prices and constantly rising costs, coupled with the unpredictable regulations out of Washington, where the farmer is tossed around like a hot potato in the political kitchen.

Farmers have pitifully poor public relations. Most nonfarming people have no conception of what we are facing, like the sweet young thing who cocked her head brightly and asked Dave, "Grasshoppers? Now let's see. Are they good or bad?"

Dave, like most thinking young farmers, realizes that we cannot hope to find an answer until we can make our problems clear and meaningful to the factory worker, the business executive, the city dweller, and particularly to the men who frame our laws in Washington. The existing farm organizations, in most cases, put forth sincere and undaunted efforts to accomplish this. But in order to be truly effective, they need a greatly increased membership of well-informed and interested persons. Too many farmers underestimate the importance of their organization and fail to relate their own participation to its success. Farmers are still poorly organized in an otherwise highly organized society, and we suffer for it. Dave has spent long hours working in our local farm bureau. We feel that this time is as important to our financial future as the hours he spends on the tractor, perhaps more so. Our lives are invested in that future.

We have seen our contemporaries leave, one by one. Some go fast, in a cloud of disgust, selling everything behind them. Most ease out slowly. First they get a good job off the farm. Then the farm work comes to a standstill because they don't have time for both. Then it's lonesome for the family, and pretty soon they are looking at a ranch house in the suburbs.

We know these people well. We know what they are facing. Most of these men are young, competent, and vitally interested in the problems of agriculture. They follow the latest scientific developments in good farming practices. They are informed on agricultural legislation and active in policy making through their local farm organizations. They have willingly done without the frills of modern living because they were convinced of the rightness of their way of life and the importance of their work. They had been steadily doing a good job, enlarging their operations, branching out, increasing their productivity. These are the young men who, in the present change, are leaving the farm. We believe that our education and experience are your investment, because we are your stock in the future of agriculture.

With 81 percent of the farm operators now over 35, it's getting pretty lonesome for the young couples these days. At most rural gatherings, you can count the farmers under 30 on 1 hand. When we bought our first farm at the age of 23, they called us those kids that bought the Martin place. Ten years later we're still "those kids." In our occupation there's nothing younger coming up, and until there is, we'll always be the youngsters in the crowd.

Where are the bright young men of agriculture? There are plenty of graduates from our agriculture colleges, but they are going into the Extension Service, research or the commercial aspects of farming. Many of them would rather work the soil, but can't manage the $40,000 to $75,000 investment that economists figure is required to finance an efficient farm operation. What if a $50,000 investment were required in other occupations? In 20 years' time, who would heal our sick; who would teach our children; who would interpret our laws? What is going to happen to farming? Who, then, will operate our farms?

We are vitally concerned and wish to be a part of the agricultural future of this country. We feel that our work of producing food is important and we know that we have the training and experience to do it well. We want to stay in farming. We like the life for our family. But we have a continuing obligation to provide our children with a decent standard of living, good medical care, and adequate educational opportunities. Bills mount up, reminding us of more immediate obligations.

Once again, Dave and I are faced with a decision. Our expenses are increasing. Our income is decreasing. Our indebtedness is mounting. Can we afford to stay in farming? That is our problem. But the problem facing this country today is that agriculture needs us for its future.

THE PROBLEMS OF THE SMALL FARMERS

Mr. SYMINGTON. Mr. President, the Weekly Record of New Madrid County, Mo., recently published some figures that speak eloquently about the problems of the small farmer in one of Missouri's richest agricultural areas.

Based on reports filed with the Farmers Home Administration, 99 farm borrowers had an average net farm income in 1955, after living and operating expenses, of only $65. In the preceding year, the average net income was $396.

Ironically, the farmer suffered this drop in net income despite the fact that his gross income rose from $4,679 in 1954 to $5,468 in 1955.

Average operating expenses rose from $2,405 to $3,240, and average living expenses rose from $1,210 in 1954 to $1,295 in 1955.

Mr. President, I ask unanimous consent that the article from the New Madrid County Weekly Record of April 27, 1956, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECORDS SHOW FARM NET INCOME DECLINE; PRODUCTION UP BUT PROFIT DOWN LAST YEAR OVER 1954

Well-kept records of 99 New Madrid County farmers show that their average net farm income, after all current family living and farm operating expenses were paid, was only $65 in 1955, as compared with an average net of $396 the preceding year.

That great decrease in net came in spite of the fact that both their production and gross income was up in 1955 over the preceding year.

The figures came from records of 99 farmer borrowers of the New Madrid County Farmers Home Administration, both landowner and renter type.

Average size of the farms increased from 89 acres to 102.6 acres in the period covered and per acre production on those farms was up for cotton and corn, but down a trifle for beans. They averaged 530 pounds of cotton in 1955 against only 444 pounds in 1954. Corn produced a 38.75 bushel average last year against the preceding one, but bean

production was only 17.23 bushels in 1955, while in 1954 it was 18.72.

Gross income for the average farmer covered by the FHA records was $5,468 last year against $4,679 in 1954.

Cause of the decrease in net income was the continuing rise in farmer costs as shown by the figures of average expenses.

Family living expenses were up only a trifle, from $1,210 to $1,295, but farm operating expense jumped from $2,405 in 1954 to $3,240 last year, and capital purchases increased from $668 to $868.

Living expenses include food, clothing, medical, and other family costs; operating expenses are seed, fertilizer, labor, and small implements used in production of the crop, and capital purchases include major items, such as tractors and other large farm equipment.

DISCRIMINATORY TAX PROPOSAL IN HIGHWAY BILL

Mr. NEUBERGER. Mr. President, on May 17, 1956, State Representative Loran L. Stewart, of Cottage Grove, Oreg., testified before the Senate Finance Committee on H. R. 10660, the Federal highway bill that is now before Congress.

Representative Stewart, who served on the 1954 Oregon State Highway Legislative Interim Committee and as chairman of the Oregon House Ways and Means Committee in the 1955 legislative session, has pointed out a very discriminatory feature of the highway bill.

This discriminatory feature would increase the tax on gasoline and rubber used by trucks that travel a good share of their mileage off the public highways and on private roads, maintained by the lumber industry, in the forests where logs are gathered to the mill where the timber is processed.

Mr. President, under the Oregon weight-mile tax on trucks, a refund is made on the gasoline tax paid when the trucks travel over private roads. The experience with this State legislation in Oregon has been good, and I believe that it deserves careful study in the enactment of Federal gasoline and rubber taxes.

The lumber industry is vitally important to the economy of the Pacific Northwest. I feel that taxes which discriminate against so important an industry should not prevail.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the statement given this morning by State Representative Stewart before the Senate Committee on Finance.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL HIGHWAY ACT OF 1956—H. R. 10660

(Statement of Loran L. Stewart in behalf of the National Lumber Manufacturers Association before the Senate Committee on Finance, May 17, 1956)

Mr. Chairman, gentlemen of the committee, I am Loran L. Stewart, of Cottage Grove, Oreg. I am president of the Bohemia Lumber Co., located east of Cottage Grove, Oreg. We are a small company; we do not own any timber of our own and are entirely dependent upon the United States Forest Service and the Bureau of Land Management for our supply.

I am director of the Industrial Forestry Association and a member of the West Coast Lumbermen's Association of Portland, Oreg., both of which are organizations of loggers, forest owners and lumber manufacturers in the Douglas fir region. I am here representing my own area and also the National Lumber Manufacturers Association, a nationwide organization of the lumber industry. With your permission, I would like to file for the record a statement prepared by the National Association on the revenue features of H. R. 10660, the highway bill, as it affects logging and off-highway use of logging trucks.

I have had the good fortune of being a member of the Oregon State Legislature for the last three sessions. In two of them I was a member of the house highways committee as well as the highway interim committee. At the present time I am chairman of the house taxation committee, so I am somewhat familiar with both highway and tax problems in the State of Oregon.

Highways are one of our important assets and we in Oregon have bonded ourselves to the limit of our capacity for construction of important highways, and we are still short of the necessary transportation facilities. We in Oregon, and I am certain the lumber and logging industry of the Pacific Northwest and the United States, are wholeheartedly in accord with an improved highway system. We also recognize that an expanded highway construction program is going to cost a great deal of money and someone must pay the bill. We should bear our fair share of the cost because we will benefit proportionately in marketing our products.

But there is a feature of this highway bill that gives wholly inadequate consideration to the problems of our industry and which on its face is highly discriminatory and inequitable. As I understand the intent of this bill from reading the House committee's report, the highway user will pay the cost of building the proposed highways through higher taxes on motor fuels, tires and trucks. This idea seems to be brought out clearly by the fact that gasoline used in boats and airplanes is exempted from the tax increase and, as indicated in the committee report, the tax will not apply to operation of mammoth trucks used exclusively off the highways. It would be consistent with this approach that all equipment used off the public highways should be exempt from the tax increases, or allowed refunds to the extent that taxes are imposed and paid; also equitable allowance should be made for the fact that trucks operate both on and off the highways.

I estimate that over three-fourths of the logging trucks in the Pacific Northwest are off-highway users during some portion of their trip from the loading point in the woods where logs are assembled to the point where they are dumped in the millpond or mill yard. The tax increases and the new taxes proposed in this bill will fall heavily upon our industry and particularly upon the small independent contractor engaged in logging. The bill in its present form is highly discriminatory because—

1. It taxes us for use of our own trucks over our own roads which we have already built and paid for.

2. Notwithstanding that loggers will pay highway use taxes under this bill, they will have to continue to build and maintain thousands of miles of roads annually at their own expense.

Since the Federal Government seems to be embarking for the first time on the highway use theory of taxation recognized in many States, what our industry is seeking before this committee is recognition from the start that nonhighway use—that is, operation of motor vehicles over privately-owned, privately-built or privately-maintained roads—should not be subject to highway use taxes. My own State of Oregon recognizes this principle.

May I diverge here to explain the workings of the pertinent part of the Oregon law? It is based fundamentally on two principles: First, the privilege tax which is, in effect, the license fee. Any truck or car that travels a mile or 100,000 miles on our highways is subject to this tax. A completely off-the-highway vehicle does not pay this tax because it is not privileged to use the highways. Second, the "use" tax which takes two forms: One, the gasoline tax which in effect says the more miles you use the highways, the more tax you pay. Two, the weight-mile tax which applies to heavier vehicles. The scale of this tax is graduated from the lowest weight to the highest weight vehicles, so in effect the more weight they carry, the more money they pay to use the highways. I believe, gentlemen, that this is exactly what this bill is attempting to do—the more gasoline or rubber used, that is, the more miles traveled, the higher the taxes.

Now let me explain a little of the mechanics of the operation of our use tax. Gasoline used in vehicles not operating on public highways is not subject to the gasoline use tax. If a logging truck operates over 10 miles of private roads and over 10 miles of public roads, the operator can apply for a refund on the gasoline consumed over the private roads, based on proportionate mileage, and on records that the Secretary of State requires him to keep.

The weight-mile tax I spoke of, which is also a use tax, is based on the same principle. If a logging truck operates over 10 miles of private road and over 10 miles of public road, it pays the weight-mile tax only on the mileage traveled over the public road. The mileage and trip records are kept on forms prescribed by the Public Utilities Commissioner, who makes periodic audits to see that proper payment is made.

Now, gentlemen, this has proved to be a relatively easy system to administer. Let me give the history of a test that was performed to determine the accuracy of collections and the extent of evasion, if any. In 1954, the Oregon State Highway Interim Committee, of which I was then a member, wanted to determine the operation of the weight-mile tax in Oregon. The committee hired an independent out-of-State organization, the Stanford Research Institute, to examine the records and results. They spent about 4 months in Oregon making various checks in cooperation with State police, highway officials and other agencies. After a very detailed analysis, they found that Oregon was losing on the first direct return 3.4 percent of the taxes due. This was phenomenally low and did not reflect a true picture of the satisfactory operation of the system because this deficiency was picked up in the course of regular audits by the Public Utilities Commission. I am sure the Stanford report is available if this committee would like to examine it.

The experience of my State amply refutes the implications found in the report of the House Ways and Means Committee on this bill that allowances for nonhighway use, as urged by our and other industries before the committee, would be difficult to administer. Further, I think the principle of our proportionate mileage tax based on allowances for mileage operated over privately owned or maintained roads could be extended to use of tires. The statement of the national association that I have filed covers adequately the fact that rubber is a very substantial item of cost in logging operations due to the classes of roads over which we operate. For this reason, logging operators keep detailed cost records on tire use, sometimes by individual tires upon which refund allowances could be based to the extent these tires are used off the highways. Such allowances might also be based on records kept for nonhighway use of fuel or the weight-mile tax, using the proportionate mileage principle. I might say that all the breaks would be in favor of the Government as our

consumption of fuel and rubber may be 2 to 6 times as high operating over logging roads as over public highways.

In conclusion, I would like to say that highway use taxes are so clearly discriminatory when applied to off-highway use, Congress should immediately and completely recognize the fact in this bill. There is no reason to defer this until studies are made as to whether highway use taxes are equitable as applied to all classes of highway users. Broad powers may be given to the Treasury Department to prescribe regulations governing refund provisions and to place the burden of proof upon the nonhighway user applying for refund of taxes paid. Such refunds should be limited to the tax increases proposed in this bill or to the amount of the new taxes proposed. It is my understanding that Senator MAGNUSON of Washington will offer an amendment to this effect.

PRECISION SKILLS

Mr. MANSFIELD. Mr. President, I understand the Office of Defense Mobilization is now considering the defense essentiality of the jeweled watch industry and its importance to this country. I should like to point out to the Senate that there are some skills which no civilized nation can afford to lose. This we take for granted when we consider the problem of providing food, clothing, and housing for our people. These are obvious needs, and we have insured a continuing supply of these necessities by farm-price supports and by Government-guaranteed housing loans.

Possibly because it is a small industry, as American industry goes, we have overlooked the fact that no nation in our fast-moving world of today can be dependent on another nation for the skills needed to produce timing devices. It is not a mere matter of producing watches and clocks. To keep time in a fixed place is a relatively simple matter. Our problem is vastly complex, since we must be certain that at all times we have the engineering skills and technical know-how to produce devices which will control the movement of objects through space at speeds that are sometimes fantastic.

To do this we must maintain and develop our horological skills. We must be certain we have plenty of men and women who know how to design and manufacture such basic devices as watches, chronometers, and airplane clocks because we need such persons to design and manufacture devices that will guide and control missiles that move at incredible speeds. This latter need was emphasized during the early days of the Korean war, when the Navy found that lives of its pilots, flying planes carrying antitank rockets, were imperiled because of a poorly designed timing device. Our horological engineers were called on to produce an adequate timing device within 30 days.

Fortunately because we have a jeweled watch industry, this was possible. It is in this industry that we find the design and production engineers, the chemists, and the metallurgists who can manufacture not only watches but also timing devices that were undreamed of a generation ago. For example, when the manufacturers of electronic calculators needed a metal tape capable of recording complex and sensitive impressions at extremely high speeds, they turned to the jeweled watch industry to fabricate the metal.

It has been argued that any manufacturer of timing devices can do everything the jeweled watch industry does except make jeweled watches. This is true only to the extent that more often than not the jeweled watch industry has to show the other manufacturers how to do it. During World War II, when the mass production of fuses was imperative, the jeweled watch industry showed a number of manufacturers how to produce the fuses. More recently, when the manufacturer of a new and extremely accurate gyroscope needed parts tooled with the utmost precision, the jeweled watch industry furnished him with them.

If we in the United States underestimate the importance of our watch and clock industry, we can be certain the Russians are not underestimating theirs. In his recent speech to the 20th Congress of the Communist Party of the U. S. S. R., Party Boss Nikita Khrushchev told the assembled comrades that Russia will step up its production of timepieces from 19.5 million a year as of 1955 to 33.6 million by 1960. Since those who make timepieces are the ones who best know how to make timing devices, it is obvious that Khrushchev is less interested in giving the Russians watches and clocks than he is in making certain that Russia's rockets and missiles go off on time.

The Russians are simply responding to a fact of life that we and other nations tend to ignore, namely, that every industrial nation must have its own horological industry. Between World War I and World War II Great Britain allowed foreign competition to destroy its horological industry. As a result, the British had to improvise, and not very adequately at that, when the manufacture of timing devices became imperative in World War II. Now the British have imposed high tariffs and quotas on foreign watches and have provided immense subsidies to watch manufacturers. The French have done the same thing, and so have the Germans.

There is no question at all in my mind that we in this country must turn our minds to the problem of saving our horological industry, and we must do it quickly.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned vehicles;

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 17, 1956, he presented to the President of the United States the enrolled bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilizing of privately owned shipping services in connection with the transportation of privately owned vehicles.

AGRICULTURE ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. AIKEN. Mr. President, I do not wish to take much time today on the bill. In fact, I shall not want to take much time tomorrow, when the Senate will begin to vote on the proposed amendments and finally on the bill itself, because I believe that as the different amendments are proposed, Members of the Senate will understand pretty well what they mean, without any prolonged debate, and I hope we shall be able to conclude action on the bill as early as possible tomorrow.

Let me say, Mr. President, that the bill as reported by the Senate Committee on Agriculture and Forestry does give more hope for the establishment of a soil bank program, and certain other phases of the agricultural program, than did the bill which was vetoed by the President a month or so ago.

The soil bank provisions in the bill are pretty broad. They put a great deal of responsibility upon the shoulders of the Secretary of Agriculture. In writing the bill, we have undertaken to word it so that the Secretary is not instructed to do the impossible for this crop year of 1956.

Under a recent date, Mr. President, I received a letter from the Secretary of Agriculture. The members of the Senate committee are in possession of the letter. However, in order that all Members of the Senate may know the contents of the letter, I ask unanimous consent to have it printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C.

Hon. GEORGE D. AIKEN,
Senate Committee on Agriculture and Forestry, United States Senate.

DEAR GEORGE: This is in response to your request for my comments on the possibility of getting a soil bank into operation on the 1956 crops.

H. R. 10875 contains the following language in section 103: "the Secretary of Agriculture * * * is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops * * *."

Section 103 further provides that "Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage-reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary."

It is now the second week of May. Wheat will soon be ready for harvest in the southern Great Plains. Winter oats and barley in the southern half of the country will soon be ripening. Much of the cotton is planted. Spring grains are mostly seeded. Corn is being planted. By the end of May 1956, plantings will be virtually completed.

I would not be discharging my responsibility if I failed to point out the grave difficulties associated with trying, at this late date, to get a soil bank operating on 1956 spring seeded crops.

Inclusion of feed grains in the acreage reserve requires the establishment of base acreages for these crops: oats, rye, barley, grain sorghum and corn in the noncommercial area. This means the assembling of data and the determination of bases on 100 million acres. We presently operate programs on 170 million acres. This provision would require an expansion of almost 60 percent in the scope of our operations. It would be necessary for local committeemen to establish for every farm a normal yield for every crop in the acreage reserve. In order to be equitable, one farm with another and one area with another, these yields would have to weight out to county check yields.

Even though we would do our utmost, we could not have this tremendous task accomplished, together with the necessary writing of contracts and checking of compliance, prior to the harvest date for many of these feed crops.

We have gone as far as we could go in making ready for the administration of this program, taking into account the many uncertainties as to its eventual form. But obviously we cannot write procedures before the law is passed, and questions of major importance regarding the legislation are still being debated.

Some may contend that we should omit the established procedure of determining bases and proceed on the basis of unverified data. Our experience is that unless historical data are used, the reported acreage figures may be in error by as much as 30 or 40 percent.

To launch a program like the soil bank at this late date, for 1956 spring-seeded crops, with inadequate data and hastily developed administrative machinery, would have these adverse effects:

1. Participation would be low. Farmers, with their crops already planted and with their investment already made in seed, fertilizer, and labor, would be reluctant to enter the program.

2. The intended reduction in production would not be accomplished. Since participation would be low and since the farmers most likely to come into the program would be those whose crops were likely to turn out below average in yield, the intended purpose of the program—reduction of surpluses—would not be satisfactorily achieved.

3. Costs would be excessive. The inducement necessary to cause a farmer to enter the program would be greater after he has made his outlay of money for production expenses than it would be if contracts could be made before planting.

4. It would be difficult to make the program properly effective in later years. If the program is launched hastily, precedents are established which prevent proper administration for the following years.

5. The program would be discredited in the minds of farmers and the public generally. The soil bank has much promise if it can be properly operated. If, in the first year of its operation, farmers do not participate fully and the program is demonstrably ineffective and expensive, then the program may be erroneously judged a failure. This would be especially true if it becomes a plow-up program. This program should be given a fair chance to operate.

On several occasions, the critical time element in this program has been referred to.

In his discussion before the Senate Committee on February 6, Under Secretary Morse submitted a summary which contained this statement: "If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1956." This statement was made with respect to the program recommended by the administration, which embodied an acreage reserve program intended to apply only to wheat, corn, cotton and rice. Since then the program has been made more complex and has been extended to feed grains, tobacco and peanuts, thereby adding substantially to the workload. Grazing lands are added in the House bill.

In his April 16 message regarding his action on H. R. 12, the President said: "The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops."

In my appearance before the Senate Committee on Agriculture on April 19 I said: "Farmers should know as promptly as possible the terms of the acreage reserve so as to plan for fall crops. Plowing will be underway within 90 days—then comes liming, fertilizing and seeding in rapid succession."

It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.

In view of the impracticability of getting a program into operation this year for both spring seeded and fall seeded crops, it is recommended that this bill be amended so that the soil-bank program will commence with the crops planted in the fall of 1956.

Sincerely yours,

EZRA TAFT BENSON,
Secretary.

Mr. AIKEN. In the letter the Secretary points out that because of the lateness of the season, it would be almost impossible for him to apply the provisions of the soil bank this year, particularly to crops which are planted in the spring. I think the tenor of his letter applies primarily to the acreage-reserve feature of the soil bank. However, if we could get a considerable amount of proposed legislation on this subject passed and on the desk of the President in acceptable form in the next week or so, it appears to me that it might be possible before very long to start work on the conservation reserve phase of the soil bank; and then, when fall comes, of course the acreage reserve would be applicable to the crops of wheat and rye, which are planted in the fall, and possibly in some sections of the country to winter oats or barley, although I am not sure as to that.

The bill contains some good provisions, among them provisions which will be of great interest to the small cotton growers of the South, and provisions relating to forestry, which could be very helpful in almost all sections of the country.

In the bill there are 2 or 3 provisions of which the administration does not approve, particularly the provisions relating to mandatory support prices for feed grains. As the bill is written, it would support feed grains at 76 percent of parity for this year, 1956. The reason why 76 percent of parity level was arrived at is this: Noncompliance corn is being supported this year at $1.25 a bushel, which amounts to 71.7 percent of transitional parity which applies to the corn crop this year. That is 75.7 percent of the modernized parity price for corn, and if applied on a comparable basis to feed grains, would provide 75.7 percent supports for grain, sorghums, oats, rye, and barley as their parity prices are computed under the modernized formula. So we have no particular objection to the provisions of the bill which would support feed grains at 76 percent of parity for this year, 1956. In fact, inasmuch as the price has gone up in recent weeks, that probably would result in a support price not far from the market price at the present time.

However, the administration objects to tying the support level for feed grains to the support level given to compliance corn grown in the commercial areas after this year. We do not believe it would be correct to tie the price of feed grains to the price of the higher grades of corn and the highest-priced corn. It is possible that we might agree to support the price of feed grains another year at the same comparable level—I say "the same comparable" level; it might not be the same percentage level—as that at which noncompliance corn is supported in another year, too.

At any rate, tomorrow, when we begin to consider the amendments in detail, we shall take up this proposal, and shall discuss it more fully. I hope we may arrive at decisions—which may entail compromises in some ways—which will enable us to obtain a bill which, even though not fully applicable this year, will be applicable for the fall-planted crops for the next 3 years thereafter.

Mr. DANIEL. Mr. President, will the Senator from Vermont yield for a question?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Vermont yield to the Senator from Texas?

Mr. AIKEN. I yield.

Mr. DANIEL. The Senator from Vermont is familiar with the provision with respect to feed grains which was included in the House bill, is he not?

Mr. AIKEN. Yes.

Mr. DANIEL. It calls for 81 percent support, but requires at least 15 percent of the average acreage for the past 3 years to be put into the acreage reserve or conservation reserve program.

Mr. AIKEN. That is correct.

Mr. DANIEL. Did the committee feel that the change it made would cost the Government more money or less money? In other words, the change which has been made by the Senate committee would not require that any of the acreage be set aside. Some of the feed-grain farmers feel that will cause the planting of considerably more acreage.

Mr. AIKEN. That will depend. The Senate committee changed the bill, so that feed grains would get the same treatment as that given to corn; and that would require feed-grain farmers after this year—they are not required to reduce the acreage this year; in fact, most of it is already planted—to retire an amount of their cultivable cropland equal to 15 percent of their base acreage for feed grains. They could take that out of the land they plant to sorghum or the land they plant to wheat or the land they plant to alfalfa, or even out of the land they plant to good tame hay. If they should take it out of land they plant to hay, it probably would not reduce the overall feed production of the country as much as would be the case if they took it out of land they plant to sorghum, and certainly it would not reduce the overall feed production of the country as much as if they took it out of land they plant to corn.

However, in some places there will be a greater incentive to take it out of land they plant to a higher-priced crop, because they will get more pay for doing so. If they were to take it out of land ordinarily planted to hay or alfalfa, they would receive only the pay which they would receive for putting it into the conservation reserve. If they place feed-grain acreage in the soil bank, they will receive acreage reserve payments, which are much higher. But under the bill, they are required to retire an amount of their overall cropland equal to 15 percent of their feed-grain base acreage in order to get the higher support price next year.

Mr. DANIEL. That is for next year, is it?

Mr. AIKEN. Yes, next year. This year, it is so late that they simply cannot be required to do it.

Mr. DANIEL. Let me say to the distinguished senior Senator from Vermont that the information we have received from the feed-grain producing States is that it is not too late, and that they can comply, and that they would like to see in the bill a provision permitting some of the acreage to be retired from production, so as to avoid overproduction. If we find that to be the sentiment of the feed-grain producers, and that they are giving us the true facts about still being able to comply, what would be wrong—even though this requirement is not made with respect to corn—with providing that for this year, feed-grain producers who retire 15 percent of their base acreage will receive 81 percent support, as the House has provided?

Mr. AIKEN. The House did not provide that next year they would receive any support above the present law, which this year is 70 percent. The House provided that it would be 81 percent next year, assuming that the support level for corn grown in the commercial area in compliance with the acreage allotments was 86 percent. But there is no assurance that that will be done. It is not known what it will be next year.

Mr. DANIEL. Then the Senator from Texas has not correctly interpreted the House version of the bill, because his interpretation of the House version is that it would provide 81-percent support for feed-grain farmers who retire 15 percent of their base acreage.

Mr. AIKEN. Not this year.

Mr. DANIEL. Not this year? I wonder whether the Senator from Vermont has checked on that.

Mr. AIKEN. The counsel tells me that that is only if the acreage reserve program is in effect for corn this year; and undoubtedly it will not apply this year.

However, as the Senator from Texas states, there is still a possibility that some crops could come under the soil-bank program for this year, because I understand that in his section of the country there is still time to plant sorghum.

Mr. DANIEL. Yes.

Mr. AIKEN. Possibly if the bill is enacted promptly it might be applied to some of the northern tobacco fields, where planting is not yet done. From here north, if the tobacco was planted before yesterday, it probably froze last night.

Mr. DANIEL. Would the Senator object to a provision of 81 percent support for those farmers who do lay aside 15 percent of their base acreage for this year?

Mr. AIKEN. I think we would have to do so, because feed grains include oats, barley, rye, and sorghum. The oats are practically all planted.

Mr. DANIEL. Would the Senator object to 81 percent of parity for producers who do lay aside 15 percent of their base acreage and put it in the soil bank?

Mr. AIKEN. Eighty-one percent would be an increase of 16 percent over present supports. I am sure there would be an uproar in most places in the country over that, because, after all, there are only about 220,000 farmers in the United States who produce more than a thousand bushels of feed grain to sell. Most of the States would lose heavily by reason of an artificial increase of 16 percent in support prices. I think the Senator's own State of Texas would lose something like $39 million a year, because there are so many more feeders than there are grain producers. After all, much of the grain which is produced for feed is in the nature of a stepchild. If one crop fails, the farmer can plant another. In the South the farmers can plant sorghum. In the north they can still sow barley.

I shall present figures tomorrow which will show just what the effect on each State would be. Of course, another factor is that acreage allotments for feed grains have not been established for this year. That is one reason why we cannot put the suggested program into effect. It is physically impossible to measure all the farms of the country this year to establish base acreages for feed grains. The Secretary says it is a physical impossibility to do it, so he strongly recommends that anything of that nature go over until next year.

There might be counties in which base acreages could be established—for example, a county in west Texas or east Texas. Possibly base acreages could be established for certain other counties. But for most farms, if the Senator will read the Secretary's letter, which I placed in the RECORD today, he will see that the Secretary points out the physical impossibility of establishing feed grain base acreages this year.

Mr. DANIEL. My question was based upon only those instances in which it would be possible for the base acreage to be figured and for the farmers to comply and retire 15 percent of their base acreage. For example, I think the figures for Colorado, Oklahoma, New Mexico, the panhandle, and south plains of Texas, and Kansas show that producers of about 60 percent of the grain sorghum of the country can still comply, and that quotas can be computed.

My question of the Senator is simply this: In cases where that is possible, with farmers reducing their acreage 15 percent, would we not be justified in paying the higher parity of 81 percent, and paying the 76 percent, as the Senate committee has provided, in instances in which the feed grain producers cannot comply or do not retire 15 percent of their acreage? The point I am driving at is this: Grain farmers tell us that they are going to have a greater over-production than ever unless there is some incentive to cut down their acreage this year.

Mr. AIKEN. I would not agree to that. According to the latest estimates of the Department of Agriculture, the feed-grain growers have voluntarily reduced their plantings this year about 6 million acres, which is about 4 percent below last year. Texas happens to be 1 of 4 or 5 States of the Union in which more than 5 percent of the farm income comes from feed grains. In North Dakota 13 percent or more of the income comes from feed grains. I do not know whether those figures are based upon a normal year or not. The figures I have are for 1954. There has been to some extent compulsory reduction in the planting of wheat and cotton in some years. At 81 percent of parity for the feed grains, if we were to increase the price of what the Texas people buy proportionately, the increased cost of the feed grains would be $26,800,000 a year.

Mr. DANIEL. The Senator means for those who buy the feed grains, does he not?

Mr. AIKEN. That is correct.

Mr. DANIEL. But does the Senator realize that the feed-grain producers are competing with those who buy feed

grain in the poultry business and the cattle business, and that they are glutting the cattle and poultry markets by putting their own feed grains into their own poultry, cattle, hogs, and other livestock?

Mr. AIKEN. What the Senator proposes is to give the feed-grain producers of Texas another 15- or 16-percent increase in the support price, but to require them to reduce their acreage 26 percent, so he would raise the prices and reduce the income.

Mr. DANIEL. I understand that is not true. The farmers from whom we have heard agree that the Senator's figures as to total acreage reduction would be true in some instances. When we consider the 3-year average, it may mean that they are reducing acreage 25 percent, as compared with 1955.

Mr. AIKEN. The 3-year average represents a reduction of 10 or 11 percent from the 1955 figure. If we add 15 percent to that, we arrive at a figure of a 26-percent reduction.

Mr. DANIEL. The farmers who are raising feed grains say that that is exactly what should be done. They say that they should reduce acreage this year, and that an incentive should be given for them to do so; otherwise there will be an overproduction of feed grains. The Senator from Vermont is agreeing that there would be quite a reduction in acreage planted to feed grains if the House version were followed.

Mr. AIKEN. Yes. It is expected that there will be a reduction of about 6 million acres anyway.

Mr. DANIEL. Would not that be desirable, if we wish to cut down overproduction?

Mr. AIKEN. I am not so optimistic as to the completely beneficial effects of the soil-bank program as are some of its advocates. This is pure guesswork. I have no crystal ball. I doubt whether any real surplus of feed grains will be produced this year. I do not believe the amount we have on hand will be reduced to any great extent, but I do not think it will be added to.

Mr. DANIEL. The producers, who say that they speak for quite a few of the grain growers in Colorado, Oklahoma, New Mexico, Kansas, and Texas, represent to us that under the provisions of the Senate bill there will be a greater probability of overproduction of feed grains, because there is no incentive for them to reduce their production.

Mr. AIKEN. Certainly if there were a stronger price incentive there would have to be stronger controls, in order to hold production in line.

I will say to the Senator from Texas that I have noticed quite a reduction in the volume of our correspondence relating to farm legislation. Since we began discussing this subject a couple of months or so ago soybeans have gone up to $3 a bushel. Hogs have gone up to 17 cents a pound, and 4 inches of rain have fallen over a great area of the country which was suffering the most. Any one of those three things will probably do as much good this year as whatever legislation we may enact. At the same time, I think we should try to have a good bill enacted, so that we can put into effect the conservation reserve feature of the program this summer, and, when the time comes to plant winter wheat, put the acreage reserve program into effect.

Mr. DANIEL. Mr. President, am I to understand that the Senator from Vermont will support the Senate committee's version of the feed-grain proposal?

Mr. AIKEN. For this year; yes.

Mr. DANIEL. For this year?

Mr. AIKEN. Yes. In that respect we would split the differences so far as the House figures are concerned, and instead of providing no increase at all this year, and 16 percent next year, we would split it, and have 76 percent support for this year. I will go along with that. That is a very substantial increase, although the market price for these feeds has been working up, and the price in the open market is pretty nearly up to that support price.

Next year, if there is a support price for noncompliance corn—and I expect there will be—then we can give the feed grains a comparable support.

It seems to me this is a pretty fair arrangement. If we can work it out, together with 1 or 2 other things, there should not be too much trouble about getting the bill through quickly and in such shape that there will be no reason to question it. I am inclined to think that, although it might not reduce the total supply of feed grains quite so fast as the Senator from Texas would like to have it done, it would not result in any increase, or much of an increase, this year, because, except for the Senator's own territory, and a little of the barley area, feed grains have already been planted.

Mr. DANIEL. As I understand, the exception would apply to about 60 percent of the country's grain sorghums.

Mr. AIKEN. We have left the bill in such shape that if the Secretary of Agriculture finds it physically possible to do so, he may put an acreage reserve into effect in some of the sorghum areas this year. I do not know, but I suppose in the Senator's State planting is done until the first of July, in some areas.

Mr. DANIEL. I believe that is true.

Mr. AIKEN. The Secretary would have authority to take such action if he could physically do it. However, we cannot establish base acreages in that length of time, from which base acreages there would have to be taken off 15 percent if he participated in the acreage-reserve program for feed grains only. That could not be done this year. Therefore, we have let the farmers go into the conservation reserve this year and will support their product at 76 percent. Those two things will create better conditions than last year, but probably will not reduce the total production as fast as the Senator from Texas thinks it ought to be reduced.

Mr. DANIEL. I thank the Senator from Vermont. I should like to ask him to consider the statements and telegrams and other messages from producers who contend that the quota can be established, at least on sorghum grains, and that they would like to be required to take a cut, if the parity price incentive could be provided.

Mr. AIKEN. The Senator from North Dakota [Mr. YOUNG] is on the floor, and I believe he will agree with me that we have left the bill open for the establishment of base acreages if it is found physically possible to establish them. However, it must be remembered that 2 million farms must be measured before all farm base acreages could be determined.

Mr. ANDERSON. Mr. President, when we come to vote on the farm bill tomorrow, we shall have to give careful consideration to an amendment which I understand will be proposed, to strike out the quota on extra long staple cotton. I desire to comment briefly on that.

The problem which seems to arise in connection with extra long staple cotton concerns a provision that would make the bale import quota apply to all cotton having a staple length of 1⅛ inches or longer. Our difficulty seems to have resulted from the importation of Peruvian cotton of an inch and eleven-sixteenths and longer.

When the first proposals were made in the Committee on Agriculture and Forestry, they were designed to bring under control the importation of Peruvian cotton, and were not designed to strike the Egyptian long-staple cotton provision.

At that time it was felt that the Peruvian cotton, which was exempted in 1940 for defense purposes, should remain as it was, that it should be used for defense purposes; that if not used for defense purposes, it should not be imported. First a few hundred bales came in; then a few thousand bales; now there are fourteen or fifteen thousand bales coming in each year; and in a short time, there will probably be 30,000 bales, as American capital goes into Peru and develops a new type of cotton for export to the United States. This is completely contrary to what had been our original understanding.

The inch and eleven-sixteenths cotton is not grown in the United States, and there was no real objection to letting a small amount come into this country when the Government needed it for parachutes, and things of that nature. However, when it is used as a means of forcing a reduction in Egyptian quota, and making impossible the sale of American long-staple cotton, I think it is a mighty bad thing, Mr. President.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Mexico said that the Government has to have some of that cotton in order to make certain materials which are being used now.

Mr. ANDERSON. That is correct.

Mr. JOHNSTON of South Carolina. Certain mills have been adjusted to use that particular type of cotton, and it is necessary that they have some of it.

Mr. ANDERSON. Yes; there is no question about that. I concede to the Senator from South Carolina that so long as the cotton is brought in for the manufacture of materials under Army con-

tracts, there can be no valid objection against it; and I have never had any objection under those circumstances.

Mr. JOHNSTON of South Carolina. We do not need large amounts of it, as we did during World War II. At that time we needed three or four hundred times the amount we need at the present time.

Mr. ANDERSON. That is correct. My hope has been that, in trying to handle this extra long staple cotton provision, we will not create trouble all over the world. We are merely trying to correct a situation arising from the importation of Peruvian cotton in quantities far beyond those contemplated when the act was in effect.

Originally I sought to amend the language of the provision, so that at no time could the importation exceed a certain number of bales. Someone said, "Well, a war situation might arise, when the country would want to have a lot of it in a hurry."

I do not believe Congress would take very long to change such a provision if the occasion arose. However, we could still provide that, except upon the certification of the Secretary of Defense that the cotton was needed for defense purposes, the amount of cotton should not exceed—and insert the number of bales that would be reasonable.

Unfortunately, language was placed in the bill in a different fashion, and attempts may be made to strike the whole thing.

I wish to point out that the American grower of long staple cotton, who is largely located in California, Arizona, New Mexico, and western Texas, has just as much right to his market as do the Peruvians and Egyptians. If we tamper with this too long, and make too many restrictions, I believe we will find the American producer insisting that we go still further in the barring of these importations. That, I think, would be unfortunate.

Furthermore, the people in the Southwest have been disturbed by the insertion of an amendment which will fix and freeze for the next 3 years for States the allotments for upland cotton.

I desire to ask unanimous consent to have printed in the RECORD a table showing the 1956 and calculated 1957 State acreage allotments for upland cotton, calculated on the basis of present provisions of law; then calculated on a national output of 17,391,304 acres, allotted to the States on the basis of present law; and then the same allotments allotted on the basis of 1956 allotments.

I recognize that the able Senator from South Carolina is the author of that amendment. However, I point out that the amendment takes 140,000 acres from the State of Texas, about 18,000 acres from Arizona, some 27,000 acres from California, and only 4,500 acres from New Mexico; but I believe it is unwise for producers of cotton to start bringing this fight up again. We have fought this fight on the floor of the Senate several times. The able Senator from Mississippi [Mr. STENNIS] has twice brought up this provision against small acreage for his section of the country, and we fought at the expense of the Western States.

This time, after the amendment was again defeated, the Senator from Mississippi said, "Surely, we ought to give a small acreage to those States that are in trouble." Therefore, Mr. President, there is provided in the bill 100,000 acres to accomplish that objective. I thought it would give a temporary breathing spell. But when the attempt is made to take 140,000 acres away from the State of Texas and deny the principle of growth which is used in the wheat acreage allotments, in tobacco allotments, and throughout the whole agricultural program, I think the States attempting it are going to make it pretty difficult for the States which will be affected by it not to wage as militant a fight against it as they possibly can. There are certain people who would like to see all the other cotton provisions stricken from the bill and let this provision go through.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. I know the Senator from New Mexico wishes to be fair. I have tried to get estimated figures for the years 1956, 1957, and 1958. We will take away approximately 139,000 acres from Texas in 1957, but we will yield back to Texas the next year a little more than she would otherwise get, approximately 111,000 acres.

Mr. ANDERSON. I hope the junior Senator from Texas is listening to this discussion, because that is approximately 110,000 acres which Texas would have gotten anyway. It is like saying that the able Senator from Mississippi has just cashed a paycheck and has the money in his pocket, and I am going to take it out of his pocket, because, soon, he will receive another paycheck and he can put it back.

We feel pretty keenly about this, and I hope people who are interested in reserve programs on wheat, tobacco, rice, and various other commodities will recognize it for exactly what it is, namely, a failure to follow the principle of growth and to recognize the existence of a 5-year program which was set up under the law.

I again state that so far as many of the people in the Southwest are concerned, they have not worried about the 2-year freeze. If it did not take place, the cotton acreage could come down from 17,400,000 acres to approximately 14 million acres, and if the Secretary of Agriculture wishes to do so he could apply it on a harvested basis as on a planted basis. If he applied the program on a harvested basis, cotton acreage would come down to 14,600,000 acres.

If that is what we want to face, let us face it, because some people would rather see all of it stricken from the bill than to have this question come up again.

Mr. President, I should like to have the table to which I have referred printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1956 and calculated 1957 State acreage allotments for upland cotton

State	1956 upland cotton acreage allotments	Calculated 1957 State allotments on basis of present law and proposed amendments		
		Present provisions of law [1]	National allotment of 17,391,304 acres apportioned to States on basis of present law for States [2]	National allotment of 17,391,304 acres apportioned to States on basis of 1956 State allotments [3]
(1)	(2)	(3)	(4)	(5)
Alabama	1,025,141	905,503	994,116	1,025,141
Arizona	343,640	328,995	361,190	343,640
Arkansas	1,424,511	1,271,412	1,395,832	1,424,511
California	782,405	737,294	809,446	782,405
Florida	36,974	34,111	37,449	36,974
Georgia	903,221	805,369	884,183	903,221
Illinois	[4] 3,110	[4] 3,110	[4] 3,110	[4] 3,110
Kansas	[4] 29	[4] 29	[4] 29	[4] 29
Kentucky	7,799	6,841	7,511	7,799
Louisiana	610,891	543,435	596,616	610,891
Maryland	[4] 25	[4] 25	[4] 25	[4] 25
Mississippi	1,646,562	1,458,671	1,601,416	1,646,562
Missouri	378,055	341,192	374,581	378,055
Nevada	[4] 2,324	[4] 2,324	[4] 2,324	[4] 2,324
New Mexico	179,378	167,373	183,753	179,378
North Carolina	483,932	428,152	470,050	483,932
Oklahoma	845,616	755,397	829,320	845,616
South Carolina	726,193	649,484	713,043	726,193
Tennessee	563,491	510,886	560,881	563,491
Texas	7,410,893	6,877,025	7,550,010	7,410,893
Virginia	17,114	14,956	16,419	17,114
United States	17,391,304	[5] 15,841,584	17,391,304	17,391,304

[1] Since 1955 measured acreage is used in lieu of the adjusted State acreages as provided by law the actual 1957 State allotments would vary from those shown in this column with a national allotment at this level.

[2] Minimum State allotments based on present available data.

[3] National acreage allotment based on present provisions of law and currently available data with respect to yields and acreages.

[4] Based on proposed amendment to freeze national allotment for 1957 at not less than the 1956 level.

[5] Based on proposal to freeze 1957 national allotment at not less than the 1956 level and to apportion national allotment to States on basis of 1956 State allotment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. As I stated, in 1958 they will get 111,000 acres more than they would have gotten if it were not for this amendment. So we subtract 111,000 from 139,000, and that is the amount that Texas is penalized—only that much.

Mr. ANDERSON. Mr. President, the able junior Senator from Texas is engaged in a primary fight, and I am not seeking to embarrass him. He is a very fine Member of this body, for whom I have nothing but the highest respect and the kindliest feelings, but I can see him going up and down the length and breadth of Texas, saying, "Do not worry. We are taking only 14,000 acres from you."

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. ELLENDER. Does the amendment actually take that acreage away?

Mr. ANDERSON. I have just placed in the RECORD a table which shows that it takes it away.

Mr. ELLENDER. The Senator knows that cotton acreage has been reduced from year to year; it has been taken from Southeastern States and has gone to the Western States—not vice versa, as the Senator has stated.

The national cotton acreage is and has been very small. It is now reduced to 17,300,000 acres. I think it would be no more than fair that it be frozen, not only at a national level, but at the State level as well. The Senator well knows we are providing in this bill for an overquota 100,000 acres in order to help the small farmer.

Mr. ANDERSON. All of which, or nearly all, goes to the Southeastern States.

Mr. ELLENDER. A few acres go to California and some other States. The bulk goes to the historic cotton area because the farms there are smaller than the western farms. Their acreage has also been reduced much more, proportionally, than in the West. We are placing the 100,000 acre figure in the bill now so as to permit small farmers to have enough acreage to live on. If the amendment which the committee has placed in the bill is stricken, it will mean that many farmers will be again subjected to reductions in acreage. The bill as it is now drafted and presented will give to every State, next year and the year following, the same amount of cotton acreage that is planted this year.

Mr. ANDERSON. Would the Senator be satisfied to have that provision written into the bill with reference to rice and other agricultural commodities?

Mr. ELLENDER. Yes. Let me say to my good friend from New Mexico that we have reached rockbottom when it comes to the allocation of cotton acres. This is only a temporary measure; it is not to be permanent. It is in order to give to the farmers of the country the same amount of acreage as they have this year—all the farmers, not just a few.

Mr. ANDERSON. What happens to history in that situation?

Mr. ELLENDER. It remains "as is."

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DANIEL. Is it the interpretation of the distinguished chairman of the committee that there will be no cut below the present acreage for this year in any State?

Mr. ELLENDER. That is exactly correct. Every acre that is planted to cotton in Texas this year will be received by Texas next year. The same is true of Louisiana. In other words, what the bill does is to freeze the acreage on a State as well as on a national basis.

Mr. DANIEL. Where does the extra hundred thousand acres come from?

Mr. ELLENDER. That is over and above the national allotment.

Mr. ANDERSON. Mr. President, the amendment was presented by the Senator from Mississippi. We fought it on the Senate floor, and it was rejected. Then the Senator from Mississippi said, "Give us a chance. Give us just a little bit for our farmers." It was a most compelling argument. So, in the closing minutes of the discussion we said, "All right; put it in." Now they say, "Having got 100,000 acres, let us take 100,000 acres more off Texas; let us take 25,000 acres off California——"

Mr. ELLENDER. The Senator knows that is not correct; the amendment takes no acreage from any State. How can it be said that something is being reduced when it is unchanged? The Senator is incorrect in his statement.

Mr. ANDERSON. What is correct?

Mr. ELLENDER. The point is that as the situation now stands, cotton acreage would be taken in future years from those who now have reached rockbottom as far as their cotton land is concerned because of a little gadget put into the law long ago. Acreage is taken from one area and given to another. That is how, in my humble judgment, the cotton farmers in the West have increased their acreage so much. I do not want to take anything from the State of Texas or from the State of New Mexico. I do not want to take from them one single, solitary acre of cotton that is being planted this year. All I am asking, I may say to my good friend from New Mexico, is that since we are in the process of freezing cotton acres on a national basis, they should be frozen also on the State basis. If a freeze is justifiable—and I believe one is—then we cannot in good conscience freeze national acreage and yet continue to permit farmers in one area to increase allotments at the expense of farmers in another area. To be fair, a freeze should be a complete freeze. I do not know of anything fairer than that.

Mr. ANDERSON. The unfair part of it is that if the amount of acreage allotted to Texas, which it has earned lawfully under the present law, and would earn lawfully, instead of——

Mr. ELLENDER. "Would earn"—"earn" being defined as "taking from others." They took it from Louisiana. Louisiana will lose 8,000 acres, and Mississippi will lose 45,000 acres, although the allotments for the entire country are frozen at 17,300,000 acres, the same as was established for 1956.

Instead of cotton farmers having to come back to Congress and ask for more acres, through an increase in the national allotment, we simply say, "Be satisfied with what you receive on a 17,300,000 national acreage basis." Let us freeze that for 2 years, not only on a national basis, but also on a State basis.

As I said, the State of Texas will receive the same number of acres in 1957 and 1958 as was received in 1956.

Mr. DANIEL. Does the Senator mean the same number as Texas planted in 1956, as distinguished from the number of acres which were allotted?

Mr. ELLENDER. The same number as Texas was allotted, because the allotted acres are what count.

I do not see why all of the cotton States should not be put on the same basis in trying to live with the soil bank. If in Texas, and in Louisiana and Mississippi, as well, some of the cotton acres are not actually planted, they can be put into the soil bank. If a farmer has 7 or 8 acres he does not want to plant, he can put those acres in the soil bank and receive a fair return, a return which I understand would be about equal to what he would make if he had planted the acres.

I know the Senator from New Mexico is fair. I hope that before we reach a vote on the bill, he will consider that we have tried from time to time to assist the small farmer. The Senator from New Mexico has cooperated to the extent of voting that 100,000 acres over and above the national allotment be included in the bill so as to assist the small farmers. I am sure he is willing to be 100 percent fair, and not insist that, although the Congress freezes the national acreage allotments for 1957 and 1958, at the same level as in 1956, Louisiana, Mississippi, and other States must still receive less acreage than in 1956 in order to give some western States an increase over 1956.

Mr. ANDERSON. That is exactly what I am suggesting. When we reached 100,000 acres, that was to be the end. Now we are aggravating the situation by adding a new fight.

I am merely saying, as the Senator has suggested, that the fact that some States lose and some gain is nothing new.

My first experience in the House of Representatives a good many years ago was when the 1940 census had been completed. It was the responsibility of Congress to reapportion the membership of Congress. Why is not a bill introduced to provide that the present membership of the House of Representatives shall be frozen for the next two decades, so that California will not gain a few Representatives, and other States will not be hampered by having the number of their Representatives reduced because they have not grown in population quite so fast as some of their sister States?

But do we do that? No. We provide for apportionment on a basis which is automatic. It is not necessary to have Congress pass a law. We simply recognize the right to reapportionment on the basis granted. Agricultural legislation has been based upon that principle.

Why should anyone want now to say to the Senator from Arizona that he should be quiet, he should not object to this, he should go home and tell the people of his State that, after all, Congress allotted 100,000 acres to the Southeast, and they are not satisfied with that; they have to have some more? Why should he keep quiet while 27,000 acres are taken away from his State? Only 4,500 acres are affected in my State. I can be completely satisfied, if others want to keep quiet about it; but I think it is unfortunate that we are getting into this kind of fight again.

I have received several telegrams, which perhaps I need not place in the RECORD, but I intend to offer an amendment to strike from the bill those provisions which would prevent the principle of growth from operating. I hope the Senate will not unduly complicate the situation existing in the Cotton Belt by insisting that the States be penalized in this fashion.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. How does it happen that there has been a gain in acreage in the Southwest and in California, and a loss of acreage in parts of the South? Is that because land went out of cultivation in one area, and was put into cultivation in the other?

Mr. ANDERSON. That is due to many things. When I introduced the Cotton Acreage Adjustment Act of 1949, the bill was the result of hearings held across the entire Cotton Belt. A hearing had been held in Fresno, Calif., which was attended by farmers from the State of the able Senator from Arizona, by farmers from California, and by a few farmers from Nevada and New Mexico.

There had been a great meeting at Forth Worth, Tex., which was attended by farmers from Arkansas, Louisiana, Texas, Oklahoma, and some of the other States.

There had been a meeting in Atlanta, which embraced the southeastern tier of States.

At those meetings we tried to find some basis on which to amend the cotton acreage adjustment law, because, as had happened at the end of World War II, it looked as if the cotton acreage was going to shift out of the deep South into the more efficient producing areas, from Georgia and Mississippi to the areas of Texas, Arizona, New Mexico, and California. In order that that shift might be helped and might be made a little more orderly, quotas were set on the basis of acreages planted in those States during the preceding 5 years.

The study at that time recognized that the acreage would gradually shift to the West, and the appeal was, Do not close the acres out too fast. Let the Southeastern States, where the problem is more difficult, take a little more time. You will see new types of agriculture develop, and new uses of the land will come into operation. There will be a change in the picture.

Mr. HAYDEN. That is what I understand has taken place.

Mr. ANDERSON. That is what has taken place. One can go into the State of the able Senator from Florida [Mr. HOLLAND] and find that a livestock industry has been developed there. If the farmers of Florida had been told that there would be cotton forever, I do not know how much of their land would have been planted to cotton. Similarly, such development is taking place in Georgia and Mississippi. Those States now comprise one of the remarkable agricultural areas because of the importance of livestock.

To insist that these past actions were wrong in order to halt obvious growth is something I cannot understand.

Mr. HAYDEN. I wanted to make it clear that the reason for this trend is that cotton can be produced at a lower cost per pound in the western area than it can be produced anywhere else in the United States. Second, the grades of cotton which are grown in that region are marketable; they do not go into the loan.

Mr. ANDERSON. I think that is true. I think perhaps it is fair to say that all the cotton grown in California is shipped without ever going into the loan; or if it does go into the loan, it does not remain there long. As I recall, one man put a block of a million dollars worth of cotton into the loan. A great outcry was made. I said, "I know that man. The Government will not lose anything on that." In a short time, he had moved all his cotton.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Louisiana.

Mr. ELLENDER. I desire to say to my good friends, the Senator from Arizona [Mr. HAYDEN] and the Senator from New Mexico [Mr. ANDERSON], that I do not want to quarrel as to any cotton farmer who has shifted from the production of cotton to a more profitable crop, and who has in the process abandoned his acres of cotton. I have no sympathy for him; he should have continued in the growing of cotton if he desired to maintain his base acreage. But here we have a situation that is different from that which prevailed at the time suggested by my good friend from New Mexico. Cotton acreage allotments have now been reduced to the point where it hurts. The national allotment is down now to 17,391,000 acres. I am sure the situation which will prevail in the Southeast, as well as the Southwest, in regard to the planting of cotton, will be different in 1957 and 1958 from what it was 4 or 5 or 6 years ago.

We have provided in the bill for a soil bank. Those cotton farmers who will not see fit to plant their allotted acres to cotton can put those acres in the soil bank. What is going to happen is that, no matter if Louisiana or Mississippi or any other Southern State plants all its allotted acres, or puts part of them into the soil bank, the formula which has been in the law for quite some time will cause those States to lose additional allotted acres in 1957 and 1958, partly because of trends and partly because of unusual conditions which caused Texas to plant a million and a half acres of wheatland to cotton in 1951.

I repeat, I am not here criticizing my good friends from New Mexico and Arizona about what has happened in the past, nor am I trying to blame them because some cotton farmers did not plant all of their allotted acres in the past. As cotton plantings in the West increased, there has been a steady shifting of cotton acreage allotments to the West. That shifting of allotments occurred in 1956, and it will occur in 1957 and 1958 if the Senate committee amendment is not adopted.

We have now reached the situation where cotton acreage has been reduced to a minimum. Additionally, the provisions in the bill creating a soil bank will result in every allotted acre being either planted or placed in the soil bank. We are freezing the national acreage allotment at the 1956 level to prevent further reductions being imposed on our cotton farmers. Under these conditions, I say it is morally wrong for farmers to have to suffer additional reductions in 1957 and 1958 because of a gadget in the old law, especially when those acres are being passed on to a few States in the West.

The conditions today are far different from what they were in the past, and I hope that before my friend from New Mexico offers his amendment he will sleep on it overnight and see the justice in what I am pleading for.

Mr. HAYDEN. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. If the trend has been such that there has been less acreage planted in the Southeastern States and more acreage planted in the West, that trend was due to the fact that it was to the advantage of somebody in the Southeastern area to put the land which was used for the growing of cotton into other crops.

Mr. ANDERSON. I can say to the Senator from Arizona that some years ago the Commissioner of Agriculture in the State of Georgia, Mr. Tom Linder, printed a story in which he said cotton ought to be $1 a pound. His idea was that it took that much money to raise cotton. Well, it did not; but there are areas where the raising of cotton is expensive, and there are areas where it is raised more cheaply.

The Senator from Arizona, whose State would really be hurt by the amendment, should recognize that the same acreage would be planted in 1956, 1957, and 1958, which would give his State 3 of the 5 years, and affect its acreage forever, and that if his state is tied to those acres there will be no opportunity for the factor of growth to operate, and the State will be signing away forever the possibility of it.

Mr. HAYDEN. The trend should be recognized, and there should be some provision in the bill whereby the trend could continue as it has in the past, but if temporarily it was desired to allow more acreage to the South, that would be a very different proposal.

Mr. ANDERSON. Yes.

Mr. HAYDEN. Because the basic law would remain unchanged, and those areas where there was legitimate demand

for increased acreage could have it and the law would allow it.

Mr. ANDERSON. Mr. President, I should like to continue this colloquy with my able friend the Senator from Arizona, but I understand the sugar bill conference report is ready, and I do not want to do more at this time than offer an amendment, which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. ANDERSON. Mr. President, I also ask unanimous consent to have printed in the RECORD, at this point in my remarks, a statement which I have had prepared on the proposed adjustment in import quota of extralong staple cotton; also a telegram I received from John L. Augustine, head of the Farm Bureau of New Mexico; a telegram from James F. Cole, president, Dona Ana County Farm and Livestock Bureau; and a telegram from Fred G. Sherrill, of Los Angeles, Calif.

There being no objection, the statement and telegrams were ordered to be printed in the RECORD, as follows:

STATEMENT ON PROPOSED ADJUSTMENT IN IMPORT QUOTA OF EXTRA LONG STAPLE COTTON

1. EFFECT OF ADJUSTMENT

Section 304 (a) of H. R. 12 would have the present 95,000 bale import quota apply, beginning February 1, 1957, to all cotton having a staple length of 1⅛ inches and longer, as did the original quota when it was established in 1939. The exemption for Peruvian cotton (1 11/16 inches and longer) made in 1940 for defense purposes would no longer apply. It is no longer needed by the military.

2. USE OF EXTRA LONG STAPLE COTTON

Either American-Egyptian cotton or Egyptian Karnak cotton can be used satisfactorily for the manufacture of most, if not all, products for which Peruvian Pima cotton is now being used (according to the Chief of the Standards and Testing Branch, Cotton Division, Agricultural Marketing Service, USDA, based on limited data available on the subject). About 60 percent of the extra long staple cotton consumed in the United States is in thread. One-fourth is in woven fabrics, with the rest being used in laces, gloves, machine ribbons, knitting yarns, and miscellaneous products. Almost 90 percent of the Peruvian Pima is used for woven fabrics. Although a smaller percentage of the American-Egyptian and Egyptian grown cottons are used for woven fabrics, the total bales used for that purpose exceed the quantity of Peruvian Pima cotton so used. Mills which use all types of extra long staple cotton report that all types are suitable for woven fabrics. Mills using extra long staple cotton state that Peruvian Pima is not used for thread because it lacks smoothness and does not stand up well in the sewing operation, and that it is too soft and lacks strength for use in machine ribbons. Its use in woven fabrics is based on the prestige built up for fine, silky cotton fabrics known as "Pima," with resulting strong consumer acceptance for "Pima" cottons.

3. ONE AND ELEVEN-SIXTEENTHS INCHES NOT GROWN IN UNITED STATES

United States farmers do not produce a cotton which has a staple length 1 11/16 inches and longer. Lengthening the staple beyond 1½ inches (the approximate length of most extra long staple cotton) does not necessarily improve the quality of cotton. Other characteristics, such as smoothness, strength, uniformity of staple length and maturity are more important than the extreme length of staple. Working in cooperation with United States cotton mills and cotton farmers, USDA has developed satisfactory extra long staple cottons which have a slightly shorter staple length than the Egyptian 1½ inches. By so doing, they have increased yields per acre sharply and have maintained or improved upon other desirable characteristics.

4. ONLY COTTON NOT LIMITED BY IMPORT QUOTA

Cotton having a staple length of 1 11/16 inches and longer is the only raw cotton not subject to import restrictions. It is directly competitive with American and Egyptian grown extra long staple cotton. Compared to the 500 to 1,000 bales being imported in 1940 at the time import controls thereon were suspended, imports have been increasing sharply, having reached an estimated 16,000 bales last year. This compares with 7,000 in 1951, 10,000 in 1952, 12,000 in 1953 and 14,000 in 1954. Aided by a World Bank loan (31 percent of the capital contributed by the United States), Peru is developing irrigation facilities for an estimated 60,000 additional acres to be devoted to cotton. Without quotas, there is on limit to the quantity of United States cotton which can be displaced by Peruvian. From 1950 to 1954, production of United States extra long staple cotton varied from 46,000 to 93,000 bales. The marketing quota on the 1956 crop is 35,000 bales. The quota-free imports of Peruvian cotton last year represented about 40 percent of the United States production.

5. EFFECT OF SECTION 304 (a) ON IMPORTS OF PERUVIAN COTTON

Section 304 (a) will not prevent or stop imports of cotton having a staple length of 1 11/16 inches and longer (Peruvian cotton). The effect would be to require that such imports displace Egyptian cotton rather than United States-grown cotton. Any additional expense incurred by importers of Peruvian cotton as a result of section 304 (a) would be offset by the present tariff advantage of 1¾ cents per pound which this cotton has over other imported extra long staple cotton. The objection to section 304 (a) is believed to be based upon the 5 cents to 10 cents price advantage which Peruvian cotton enjoys over Egyptian- and American-grown cotton.

6. TIMING OF IMPORTS

The present quota opens on February 1. This is timed to fit the Egyptian harvest. The Peruvian crop is harvested about 6 months later. If, at the time the Peruvian cotton was ready for shipment to the United States the global quota had been filled by imports of Egyptian cotton, importers of Peruvian would be placed at a disadvantage. They would either have to buy 6 months further ahead, or some adjustment in the quota should be made. If the attached language were added to section 304 (a), this problem would be adequately dealt with.

LAS CRUCES, N. MEX., *May 16, 1956.*

Senator CLINTON P. ANDERSON,
Senator DENNIS CHAVEZ,
United States Senate,
Washington, D. C.:

We understand Eastland amendment to new farm bill to come before Senate May 7. Would appreciate your doing everything possible to push provision directing Agriculture Secretary to sell cotton at competitive world prices. Check provision pertaining to increased cotton allotments, 1957–58, to see if western areas fairly treated. Understand State Department attempting to delete long staple amendment. Don't let them get away with this. It's time to help our own people instead of everyone else in the world.

JOHN L. AUGUSTINE.

LAS CRUCES, N. MEX., *May 16, 1956.*

Senator CLINTON P. ANDERSON,
Senate Office Building,
Washington, D. C.:

First, we favor the Eastland amendment to make cotton sales for export. Competitive offering of cotton above the world market price is a signal to foreign growers to plant more cotton. Surpluses must be moved in the interest of farm economy at competitive prices. We feel that due to the influences of the State Department that legislation directing rather than permitting this action is necessary. Second, we oppose any provision in the law which allocates increases in cotton allotment equally on a percentage basis. The 5-year provision is a basic part of the law which recognizes the trend in cotton production. Efforts to defeat this will deprive New Mexico of a historic legal right to acreage increases. Third, we are reliably informed that the State Department has contacted Senator H. ALEXANDER SMITH regarding the removal of the provisions which were in the earlier farm bill regarding extra long staple cotton. The provisions concerning global quotas and directing the Secretary to dispose of surplus of extra long staple are essential to the survival of an industry which has gone all out to try to help itself.

JAMES F. COLE,
President, Dona Ana County Farm and Livestock Bureau.

LOS ANGELES, CALIF., *May 15, 1956.*

Senator CLINTON ANDERSON,
Senate Office Building,
Washington, D. C.:

Another amendment to the farm bill H. R. 10875 has come to my attention which (a) freezes the national cotton allotment for 1957 and 1958 so that it will be the same as for 1956, and (b) provides that each State allotment for 1957 and 1958 shall be the same as for 1956. Under present circumstances I would say that the national allotment is amply large and I would not oppose that provision. I cannot see, however, why the result of trends in acreage which reflect essentially sound economic production of desirable qualities should be suspended during this period. This is the provision in the present act which distributes the national allotment to the States on the 5-year average rule. If this is suspended as item (b) above seeks to do, California will fail to get some thirty-odd-thousand acres which it should have, Arizona will fail to get some 20,000 acres which it should have, and New Mexico will fail to get some 5,000 acres which it should have. Inasmuch as the national allotment remains undisturbed it naturally follows that sections of the country producing less desirable qualities than we produce here will be planting our acreage and producing more of those less desirable qualities while we produce less of the more desirable qualities. Please do what you can to let the present law determine how the frozen national allotment shall be distributed. Thanks and best wishes.

FRED G. SHERRILL.

Mr. ANDERSON. Mr. President, in closing, I point out that when the senior Senator from Louisiana asked that additional cotton be given to the small farmers of the southeastern section of the country, it was done on the basis that no planting history should be obtained. I suggest that he might bear that in mind in connection with this question.

EXTENSION OF THE SUGAR ACT OF 1948—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I understand the Senator from Virginia is ready to present the conference report on the extension of the Sugar Act of 1948, which is a privileged matter. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of yesterday.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD. Mr. President, in the case of the conference report on the sugar bill, H. R. 7030, which would amend and extend the Sugar Act of 1948, I am happy to announce a unanimous agreement, after a considerable period of time, on the part of House and Senate conferees on this bill. There were no dissenters on the final version, and the Senate amendments were generally accepted.

I am also glad to state that a few minutes ago the conference report was unanimously agreed to by the House of Representatives.

The House accepted all of a number of perfecting and technical amendments made by the Senate and, in large part, the more important amendments were adopted in full or compromised satisfactorily.

There were three important points of difference between the House and Senate versions of the bill. On one other point the difference was not so great. Those points of difference were:

First. The length of the extension of the Sugar Act. The House version of the bill was for 4 years; the Senate version was 6 years. The Senate conferees receded on this point, and agreed on a 4-year extension. It was uanimously agreed however, that the next extension should be taken up in 1959 to avoid the necessity for any hasty action during the last year of the present extension, and so that farmers and foreign countries can make their plans in advance of planting seasons.

Second. The proportion of increased demand allocated to foreign and to domestic producers. The House voted a 50–50 split. The Senate felt that be cause domestic producers had not been able to share in increased demand for a number of years, the division should be 55 percent of the increase to domestic producers and 45 percent to foreign producers.

The House conferees receded on this point, and the formula of 55–45 was adopted.

Third. The division of increased domestic demand allocated to foreign areas among the various participating countries took considerable compromising. The conferees decided that the element of greatest importance to a foreign country producing sugar was the amount in total that could be exported to the United States. Therefore, total United States requirements over the 4 years of the extension and the total share in those requirements by each country constituted the base from which we worked.

For example, under the House version of the bill, Cuba would have supplied 92.4 percent of the total amount of sugar allocated to the full-duty countries plus Cuba. The Senate version would have granted to Cuba 94.4 percent. The compromise decided upon by the conferees gives 93.75 percent to Cuba. The compromise gives Mexico 1.2 percent, Peru 2.3 percent, Dominican Republic 1.75 percent, and all other countries 1.0 percent.

I understand that the administration will accept these percentages.

Fourth. Both the House version and the Senate version of the bill carried formulas for the allocation of the first 188,000 tons of increased demand among domestic producing areas. Although the formulas were different, there was not a great deal of difference in the expected results. The House conferees receded, and accepted the Senate formula.

I hope the Senate will accept the bill as agreed upon by the conferees. On the major points of difference, the House conferees receded on 2, the Senate conferees receded on 1, and 1 was compromised satisfactorily. Although it would have been impossible to arrive at a solution of this great sugar problem which would make everyone happy, we feel that we have at least divided the unhappiness fairly equally.

I urge acceptance of the conference report.

Mr. BENNETT. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. BENNETT. I should like to make an observation: With respect to the foreign share of sugar, the amount in disagreement was equal only to 2 pounds in 100. In other words, if we set up as a symbol a 100-pound sack of sugar, to represent all the sugar which would come in from foreign producers, there was in disagreement only 2 pounds in 100; and by the compromise we finally saved for Cuba all but two-thirds of 1 pound. So by the compromise, Cuba lost only two-thirds of 1 pound out of 100 pounds; and the compromise agreement is two-thirds in line with the position taken by the Senate, and only one-third in line with the position taken by the House.

Mr. BYRD. I thank the Senator from Utah.

Mr. ELLENDER. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. ELLENDER. I wish to take this occasion to thank my good friend, the Senator from Virginia, from the bottom of my heart for having brought the sugar bill to a conclusion, particularly when he was able to maintain the Senate's version of the bill in respect to the division of the increased amount of sugar which is consumed in the United States because of the increase in our population. As he has stated correctly, the Senate conferees fought for 55 percent of the amount of that growth; and I am glad that is provided for in the conference report.

Again I wish to compliment my good friend, the Senator from Virginia, and also my good friend, the Senator from Utah [Mr. BENNETT], and all other Senators who participated in the conference.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I wish to express my very real gratitude and my warm compliments to the Senator from Virginia and the other Senate conferees, and to say that I think this is a good bill. As I understand, it stabilizes the matter of sharing on a 55–45 basis in the continuing market; and in the case of the increase after January 1, 1956, above 8,350,000 tons, it divides it on the basis of the same ratio—namely, 55 percent to domestic producers, and 45 percent to foreign producers.

Mr. BYRD. The Senator is correct.

Mr. HOLLAND. For which I certainly congratulate the conferees. Speaking for the sugar industry of my State, which does not always have easy sledding, and will not have under this bill, this arrangement will certainly stabilize the situation remarkably well, and will enable sugar producers to get rid of the stored up surplus, created not by added acres, but by added efficiency and increased production in recent years. The bill will allow the sugar producers to get rid of a surplus which now occupies two very large warehouses. I think that can be accomplished in a period of about 3 years.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LANGER. How does the conference report treat cane sugar as compared with beet sugar?

Mr. BENNETT. Mr. President, If I may answer that question. The division as between the mainland cane producers and the domestic beet producers was written into the bill in accordance with an agreement between the two industries. With respect to the first 165,000 tons, they will be shared on the basis of 51½ percent to beets and 48½ percent to cane. Thereafter they will return to their original relationship, which will be based upon the difference between, roughly, 1,880,000 tons and 582,000 tons,

or something of that kind. But we established a comparatively even relationship for the first 165,000 tons. Thereafter it reverts to the longtime relationship which existed under all previous legislation.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARRETT. I wish to commend the chairman of the Finance Committee and other members of the committee for the fine work they did in connection with the conference report.

Let me say to my distinguished colleague from Florida [Mr. HOLLAND] that his State is not the only one which has been experiencing some difficulty so far as sugar is concerned. We in the sugar beet area have also been in considerable difficulty.

I am very much pleased with the provisions to which the distinguished Senator from Utah [Mr. BENNETT] has just referred. As I understand the situation, the first 165,000 tons over and above the base of 8,350,000 tons will go to the domestic producers, 51½ percent to beet sugar, and 48½ percent to cane sugar producers.

Mr. BENNETT. It is not quite that way. It is the first 165,000 tons produced, over the base of 55 percent.

Mr. BARRETT. I understand. That is the amount which is allocated to this country.

Mr. BENNETT. That is correct.

Mr. BARRETT. The point which pleases me very much is that, as I understand, the estimate for this year is in excess of 165,000 tons increase, and consequently, the domestic producers will receive some benefit immediately from this legislation. So I am especially pleased about that particular provision in the conference report. Again I commend our conferees for their fine work. I think this is an excellent bill. The division, on the historic basis of 55 to 45, has now been reaffirmed, and we are now in such a position that we can look forward to some measure of prosperity in the sugar beet and sugar-cane industries.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. HOLLAND. Am I correct in my understanding that the reason for making a distinction in favor of cane sugar in the first year's distribution of the surplus was the fact that the cane sugar producers have on hand a much greater surplus, proportionately?

Mr. BYRD. That is correct.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. SMITH of New Jersey. As a member of the Committee on Foreign Relations, I have been asked by our Filipino friends why, as they claim, they were discriminated against by being omitted entirely from participation in any increase in sugar consumption. I should like to have that explained for the RECORD, so that I may properly advise my Filipino friends.

Mr. BENNETT. Mr. President, the Senator's Filipino friends have been told repeatedly that their participation in the American sugar market is on the basis of a treaty. The Finance Committee has no authority to open up existing treaties. Members of the Finance Committee have never felt that the Filipino share could be considered by them. If the State Department wishes to increase the allotment of sugar to the Philippines, it should be prepared to open up the general Philippine treaty and handle it through the regular channels, which includes handling it through the Senator's committee.

Mr. SMITH of New Jersey. Then is it fair to say that there was no intention on the part of members of the conference committee from either the House or the Senate in any way to discriminate against our Filipino friends?

Mr. GEORGE. Mr. President, if the chairman of the committee will yield to me, the Philippines have a treaty, and that treaty governs sugar shipments into this country and the quotas. Under the treaty the Filipinos have preferential treatment, which will extend, as I recall, until 1970. We were clearly of the opinion that there was no discrimination against the Philippines. They already have an advantage.

Mr. SMITH of New Jersey. I wished to make it clear for the record that there was no intentional discrimination.

Mr. GEORGE. None whatever.

Mr. MILLIKIN. Mr. President, I wish to congratulate the Senator from Virginia [Mr. BYRD] for the very able work he did on the sugar bill in conference.

I wish also to congratulate the Senator from Utah [Mr. BENNETT], who did so much active work in bringing about the 55–45 division, which is traditional, and which is an improvement over the present situation. It gives better recognition to the home production of sugar.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF INTERNAL REVENUE CODE OF 1939, RELATING TO PATENT RIGHTS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD, Mr. KERR, Mr. FREAR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. YOUNG. Mr. President, I should like to make some very brief remarks today on the feed-grain provisions of the pending agricultural bill; and tomorrow, when we consider the bill and its amendments, I shall discuss further the feed-grain amendments and other provisions of the bill.

Last fall the price of hogs dropped to $9 or $10 a hundred pounds, and the corn price dropped to 95 cents or a dollar a bushel, in most Midwest areas. Always when corn and other feed grain prices drop, hog prices and cattle prices sooner or later follow. They usually follow shortly afterward.

Taking recognition of the fact that low feed grain prices, particularly low corn prices, mean continued low prices for hogs and cattle, Secretary Benson not long ago established a support price for corn in the commercial area at $1.50 a bushel, and another, new price support, which we have never had before, of $1.25 a bushel, to noncompliers, or those farmers who fail to comply with any acreage allotments. In addition to that, he established at least two more price-support levels in the noncommercial area.

The whole object, as I understand it, of this action was to prevent more free corn from going on the cash markets in the fall, and thus depress the cash price of corn.

I say again that he felt, and rightly so, that low corn prices mean low hog prices and low cattle prices.

The minority views of the Committee on Agriculture and Forestry, are rather amazing. They are almost in complete contradiction to what Secretary Benson did only a short time ago in establishing these higher price support levels for corn.

I should like to quote from the minority views as published in the report of the committee:

> 2. Prices of feed livestock would be reduced.

That is, if the feed grain provision in the bill prevailed.

> In deciding how much they can pay for feeder cattle, Grain Belt men figure the probable price of the finished animal and deduct the cost of feed. The higher the price of feed in the Grain Belt, the lower the price of feeder cattle on the western range.

Mr. President, no responsible cattlemen or hogmen would agree with that position. All of them know that continued low prices for feed grains and abundant supplies mean that farmers will translate those cheap grains into more and more production and surpluses of hogs and more and more production and surpluses of beef.

I should like to say that, with respect to the average farmer in the Midwest, particularly in Iowa, the price he gets for hogs represents the price he gets for his corn, because he puts practically all of that corn he produces on the market through hogs or cattle. If there is an abundance of cheap feed grain, and excessive feeding and excessive supplies,

down goes the price of hogs and down goes the price of most everything that that farmer has to sell.

I should like to place in the RECORD figures which I obtained from the Department of Agriculture only yesterday. They gave the average price of feed grains for the past 10 years; that is, for oats, barley, sorghums, and corn. It also shows the price of feeder cattle and other cattle.

It will be noted from this table that the price of feeder cattle and the price of hogs follow almost exactly the price of feed grains, such as corn, wheat, oats, and others.

It is true that if feed grains remain cheap this fall, many cattle feeders may buy more cattle than they ordinarily would, hoping that they can feed the cheap grain to their cattle; and even if the cattle prices do not go up very much, at least they will not lose very much money.

That is what happened to a large extent last fall. Feed grain prices were cheap, and cattle feeders paid a little more than they ordinarily would, believing that with the very cheap grain they would still make a little profit. I believe that most of them will be mistaken. They will not make any money, some may lose even with present grain prices.

I ask unanimous consent that the table be printed in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Oats (per bushel)	Barley (per bushel)	Corn (per bushel)	Grain sorghums, soybeans		Beef cattle (per hundredweight) [1]	Stockers and feeders cost at Kansas City	Stockers and feeders average cost of 4 markets
				Per hundredweight	Per bushel			
1946	$0.805	$1.38	$1.53	$2.48	$2.56	$14.50	$15.87	$15.80
1947	1.04	1.73	2.16	3.27	3.34	18.40	20.81	20.36
1948	.717	1.16	1.28	2.29	2.27	22.20	25.54	25.23
1949	.655	1.06	1.24	2.00	2.17	19.80	21.34	[2] 21.21
1950	.788	1.19	1.52	1.88	2.47	23.30	26.67	[2] 26.90
1951	.820	1.26	1.66	2.36	2.73	28.70	32.63	[2] 32.85
1952	.788	1.38	1.51	2.80	2.72	24.30	25.55	[3] 25.76
1953	.743	1.17	1.48	2.36	2.73	16.30	17.35	[3] 17.13
1954	.713	1.09	1.42	2.25	2.46	16.00	18.97	[3] 18.64
1955	.596	.928	1.31	1.78	2.20	15.60	18.60	[4] 18.25
Apr. 15, 1956	.623	.949	1.32	1.93	2.63	15.00	[5] 17.31	[4 5] 17.02

[1] National average price received by farmers for all beef cattle.
[2] 5 markets.
[3] 8 markets.
[4] 10 markets.
[5] Week ending Apr. 26.

Mr. YOUNG. Mr. President, I have also had the Department of Agriculture prepare some figures on the price of hogs, from 1930 to 1940—I left out the war years—and from 1946 to 1955. Again it appears from these figures that the price of hogs followed almost exactly the price of corn. For example, when corn prices went down, hog prices went down.

Again, Mr. President, that is almost in exact contradiction to the minority views of the Committee on Agriculture and Forestry, and it is almost in exact contradiction to what some Members of the Senate are trying to accomplish, that of trying to continue the cheap grain prices.

Mr. President, it is impossible to have two things at the same time; it is impossible to have cheap feed-grain prices and still have good cattle prices and good hog prices. That is impossible.

Perhaps to a dairy farmer in the East, who sells practically all of his milk in the large cities, under milk marketing orders at 90 percent to 100 percent of parity, and has 80-percent price supports for practically all the rest of his dairy products, such as butter and cheese, that is an excellent deal. However, to any farmer living in the Midwest who produces hogs, or cattle, or grain, this is a wrong philosophy entirely. We will never solve our hog- and cattle-price problem and our grain-price problem, and the problem of the average farmer, so long as we continue the policy of cheap feed grains.

Mr. President, I wish to comment a little more on a table which appears on the last page of the minority views.

According to the table one would be led to believe that every State in the Union was a deficit-feed-grain area. For example, according to the table, the State of Iowa buys 42 percent of its feed grains, Minnesota 20 percent, Illinois 25 percent, and so on.

Actually, what I believe is that this table is a report showing how much mixed grains the farmers in these respective States bought.

Mr. President, it has become a rather common practice for farmers to buy a great deal of mixed feeds. They will probably sell much of their feed grains and buy back concentrates or pellets or other things. Therefore, although the report would indicate that Iowa, for example, is a big feed deficit area, in reality, it is not.

Iowa, perhaps, produces practically all the feed grains it needs. That is certainly true of Illinois, Indiana, and some other Midwest States. The minority views would have us believe that these States are great feed deficit areas, and by raising the price of feed grain a little, we are doing great injury to the farmers of those States. That is as far from the truth as it is possible to be.

Mr. President, I believe this will conclude my remarks for today. I plan to have more to say tomorrow, when the various amendments are considered.

At this time I ask unanimous consent that the last table, to which I have referred, also be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison, corn and hog prices, average national price received by farmers (1930–40, 1946–55)

Year	Corn (per bushel)	Hogs (per 100 pounds)
1930	$0.598	$8.84
1931	.321	5.73
1932	.292	3.34
1933	.494	3.53
1934	.802	4.14
1935	.632	8.65
1936	1.035	9.37
1937	.490	9.50
1938	.469	7.74
1939	.542	6.23
1940	.601	5.39
1946	1.53	17.50
1947	2.16	24.10
1948	1.28	23.10
1949	1.24	18.10
1950	1.52	18.00
1951	1.66	20.00
1952	1.51	17.80
1953	1.48	21.40
1954	1.42	21.60
1955	1.31	15.00

NOMINATION OF SIMON E. SOBELOFF TO BE JUDGE OF THE FOURTH CIRCUIT COURT OF APPEALS

Mr. JOHNSTON of South Carolina. Mr. President, a Subcommittee of the Judiciary Committee on May 5 began its public hearings on the fitness of the Solicitor General, Mr. Sobeloff, to be a judge of the Fourth Circuit Court of Appeals of the United States. That date was a postponed meeting of one previously called and which had to be cancelled due to the untimely death of the late Senator Barkley. Most of us were in attendance at the funeral of our late colleague. All our engagements that week had to be postponed, rearranged, and otherwise interrupted or cancelled. Unfortunately, my case was no different from many others. I had prior engagements set for Saturday, May 5, from which I could not easily be excused. That same unfortunate situation affected the members of the subcommittee as only 2 of the 5 on it were able to be present. I sent the Chairman, Senator O'MAHONEY, a copy of charges against the nominee. These were put in the record. The witness most capable of substantiating those and other professional irregularities of Mr. Sobeloff, was not permitted to testify at length. He is Charles Shankroff, of Baltimore, Md. I had known Mr. Shankroff's charges for some time. He presented similar objections to me a long time ago. However, the Senator from Wyoming [Mr. O'MAHONEY] graciously permitted Mr. Shankroff to file a statement of his charges. Mr. Shankroff, who made the original charges, is an experienced real-estate dealer, and a gentleman about 74 year old. He told me he had never seen Mr. Sobeloff in person, except as he saw him across the witness table on May 5, 1956. His statement shows that he has no personal ax to grind, nor any personal grievances to satisfy. His testimony and statement are given solely in the public interest and out of a sense of civic duty. I commend Mr. Shankroff for being able to take such a lofty

and detached stand in his attitude towards the personal and professional qualifications of Mr. Sobeloff for the judgeship to which he has been nominated.

The Senate will be interested in the grounds and objections Mr. Shankroff urges against the confirmation of Mr. Sobeloff. I trust the subcommittee will go into the charges in the latest statement of Mr. Shankroff. They need careful study and investigation.

Unless this nomination is withdrawn after the hearings progress, and the charges, which I believe are true, have been substantiated by the records of the receiver and by a study of the court records, all of which are available in both Circuit Court No. 2 and the City Court of Baltimore, Md., I shall have a great deal more to say about Mr. Sobeloff.

Mr. Shankroff made his original complaints against Mr. Sobeloff to me. I, in turn, transmitted them to the subcommittee. I have since conferred with Mr. Shankroff, in person, regarding his most recent statement of his objections to the confirmation. I stand ready to transmit any other true statement from any critic that can be verified to the subcommittee for its consideration. I stand ready to submit any evidence of wrongdoing on the part of Mr. Sobeloff, which would justify our refusal to confirm his nomination.

Mr. President, I send to the desk the letter of Mr. Charles Shankroff to the Senator from Wyoming [Mr. O'MAHONEY] and request that it be printed in the body of the RECORD immediately following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 15, 1956.

Hon. JOSEPH C. O'MAHONEY,
Senate Committee on the Judiciary,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I avail myself of the opportunity you twice extended to me Saturday, May 5, 1956, to give the subcommittee, of which you are chairman, a statement contining my objections to the confirmation of the nomination of Simon E. Sobeloff as judge of the Fourth Circuit Court of Appeals of the United States.

I ask that my statement be inserted in and made a part of the official transcript of the record of your hearings. I am furnishing copies hereof to the other members of the Judiciary Committee.

I want you and the committee to understand at the very outset that I have no personal grievance against Mr. Sobeloff. I never saw him until I appeared before the committee. I have not suffered from his wrongdoings. My sole concern is as a civic matter, and in the public interest. I speak entirely from the records as I have studied them. My entire concern is based upon my hope and belief that our judges should not only be men above every reproach but even above the suspicion of wrongdoing. I am sure this concept of mine is not too high and is fully shared by the committee.

I also wish to correct some of the errors in the transcript. I wish to straighten out some of the impressions that may be created by the testimony of Mr. Sobeloff and others. I wish your record to be an honest statement of the pertinent facts. I do not wish the committee to reach a conclusion upon tangent, incomplete, or twisted assertions of fact. Such a result would be unfortunate indeed.

(a) Mr. Hospelhorn (deputy bank examiner) stated his records (receiver's) were destroyed under a court order and were therefore not available. That is true to the extent it goes but he should have said their destruction was ordered on condition that the records be microfilmed. So the records are not in fact destroyed. They are available. None of the court records have been destroyed. Your subcommittee is entitled by subpena and can see the pertinent portions of both sets of records.

(b) First of all relating to myself, I am an experienced real-estate operator. I am experienced in researching court records and documents. I have devoted well over a year in a study of the Baltimore Trust Co. case. It is case No. 20,433a, Docket 44a of 1935, now pending in Circuit Court No. 2, Baltimore, Md. The subcommittee can obtain, by subpena, the proof of every statement of fact which I am about to make concerning this and the other cases.

(c) I am 74, not 72, years old.

(d) There were 15 court actions against the officers and directors of the Baltimore Trust Co.—9 in Circuit Court No. 2 of Baltimore City and 6 were in the City Court of Baltimore. They involved in the aggregate over 56 millions of dollars, not $150 million as I am reported to have said. These actions were settled by Mr. Sobeloff and his associates who represented the receiver for the small sum of $205,500. Sobeloff and his associates permitted the costs of these suits to be paid out of the assets of the receiver (the plaintiff). In the varying types of these 15 legal actions, the defendants were financially responsible and had the ability to respond in a much larger amount than the small settlement of $205,500. Judge Soper praised Mr. Sobeloff for his report on the liability of the officers and directors. I condemn Mr. Sobeloff for his neglect in the execution of his report and the small settlement he agreed upon.

I agree with Judge Soper that Mr. Sobeloff made a good report. Where I disagree, and Judge Soper remains ominously silent, is that Mr. Sobeloff did not pursue his good report and assist in forcing a full compliance therewith to the extent of the financial ability of those charged with the duty, responsibility, and financial liability to the depositors and creditors of the bank. The subcommittee should subpena Mr. Sobeloff's reports (3) from the clerk of court (Circuit Court No. 2, Baltimore, Md.). They are available. They go into the questions of fixed criminal and civil liability, the bank's building, etc., in detail.

Mr. Sobeloff should not be confirmed by the Senate of the United States for the following, among other, reasons:

(a) Having reported as an officer of the court on the statutory liability of the officers and directors of the Baltimore Trust Co. that their monetary liabilities to the receiver aggregated in excess of $56 million, he (Sobeloff) was derelict in permitting in 15 suits (6 in Baltimore City Court and 9 in Circuit Court No. 2 of Baltimore City) to be settled by the payment by only 17 of the 19 defendants of the small sum of $205,500, while the financial responsibility and ability to pay more by the defendants was much greater. The effect of the small settlement was obviously detrimental to the rights of the receiver and those creditors represented by him. Two of the defendants paid nothing though each (P. L. Goldsborough and Donald Symington) was reputed to be of large financial means. A careful examination of only 1 of the 15 cases will substantiate this charge. The other cases, if and when examined, will aggravate the charge and at the same time compound and multiply the indisputable proof of it.

In case No. 21647, in docket 45, at page 391, commenced August 6, 1936, in circuit court No. 2 of Baltimore City, Md., and entitled Hospelhorn, Receiver (Sobeloff being one of his attorneys of record) versus Wm. A. Dixon, A. E. Duncan, Albert D. Hutzler, Wm. B. Matthai, Safe Deposit and Trust Company, and Frank Newcomer, Executors, etc., I. Manning Parsons, Donald Symington, Henry E. Treide, and Herbert A. Wagner, a sworn complaint was filed for damages aggregating $20,206,014.79 for losses by reason of the negligence and inattention to duties by the defendants (former officers and directors). Mr. Sobeloff's fine reports charged acts of criminal and civil negligence. There were 42 accounts or items involving negligence in this one case alone. The court still has this record in its files as well as the records in the other 14 cases. The quaere is "Why should Mr. Sobeloff have made the excellent report (Judge Soper's testimony) of the criminal and civil negligence on the part of the officers and directors in the first instance (1936) and their legal liabilities thereon, and then permit, as attorney of record for the receiver, the officers and directors to escape a $56 million liability (1937) by the payment of only $205,500?"

I suggest the propriety of a careful analysis of each of the 15 cases. Let the sunlight in on this conflict and obvious dereliction or contradiction of duties. It may be said that this settlement was approved by the court. Well, if that be true, why didn't Sobeloff appeal on behalf of the receiver? Or was it then, in 1937, to Sobeloff's greater personal interest to protect those being pursued by the receiver at the original instance of Mr. Sobeloff in his reports? The committee in pursuit of the truth may develop the correct answer.

I submit that the records in the case show that Mr. Sobeloff received $30,000 from the receiver for his reports and later the sum of $7,500 for the services in the 15 lawsuits he permitted to be settled for the trifling sum of $205,500, excusing as he did all liability on the part of financially able defendants Goldsborough and Symington. Your record should show what other amounts he may have received for resisting stockholder's liabilities, the questionable sale of the building and the other assets of the Baltimore Trust Co.

If Mr. Sobeloff was right in his reports that the officers and directors were guilty of criminal and civil negligence wherein sworn losses in excess of $56 million were suffered by the creditors, how can he be right in settling those losses against financially responsible defendants for the negligible sum of $205,500? In which case was he right?

In an early suit by a stockholder, Mr. Sobeloff sought the court of appeals (Maryland) ruling on the statutory stock liability of a stockholder and it was determined in that decision that a liability of $10 per share was proper. Why did he permit, without appeal, Judge O'Dunne to settle the stockholders' liability later at only $5 per share? Whose interest did he represent? Did he represent the resisting and contesting stockholders or did he represent the best interests of the estate of the receiver? Did he at various times get compensation from both sides of this issue? Did the receiver not lose over $1 million in losses from inadequate assessments by Sobeloff representing conflicting interests at the time of the settlement?

The 15 cases are as follows:

Circuit court No. 2: Case No. 21647, docket 45A, year 1936, page 391; case No. 21648, docket 45A, year 1936, page 392; case No. 21649, docket 45A, year 1936, page 393; case No. 21650, docket 45A, year 1936, page 394; case No. 21651, docket 45A, year 1936, page 395; case No. 21652, docket 45A, year 1936, page 396; case No. 21653, docket 45A, year 1936, page 397; case No. 21654A, docket 45A, year 1936, page 398; case No. 21655B, docket 45A, year 1936, page 399.

City Court of Baltimore, Md.: Case No. 164, year 1936; case No. 165, year 1936; case No. 166, year 1936; case No. 167, year 1936; case No. 168, year 1936; case No. 169, year 1936.

A copy of 1 of these 15 suits is attached hereto for the information of the committee.

The foregoing suits for criminal and civil negligence whose damages are laid in an amount in excess of $56 million are not the ordinary types of negligence suits where the amounts claimed are flexible or elastic and dependent upon the arrival of a judgment by men of varying opinions. The amount of $56 million was mathematically determined in the excellent report of the fixed dollar liability by Mr. Sobeloff. How now can he justify or how could he then justify a settlement of a fixed liability for the miserly sum of $205,500, especially against defendants whose financial ability was beyond question as being competent to respond in a larger sum? Mr. Sobeloff's judgment is festered in either his (a) reports or (b) his settlement without dissent of a $56 million liability for $205,500.

I submit the above and the other 14 cases reveal that Mr. Sobeloff knowingly represented interests that were in conflict. His conduct is well within the condemnation of the Department of Justice in the case recently reported in the press against the firm of Sullivan & Cromwell.

On page 47, line 14, of the transcript of hearing, Mr. Enos S. Stockbridge made the astounding and conflicting statement:

"There was nothing in the situation which could by any stretch of the imagination create a situation of conflict of interest."

In other words, Mr. Stockbridge contends that Sobeloff's resistance in a court case against the receiver to a stockholders' liability does not conflict with the duties assumed by him and as shown in his reports as an officer of the court representing the receiver in recommending the officers', stockholders', and directors' fixed liabilities. Patently Mr. Stockbridge is in error in his conclusion, for he later admits in his next paragraph:

"Mr. Sobeloff was acting as a representative of the court to perform a duty assigned to him. As a matter of fact the settlement which resulted was of benefit to the stockholders, in that it was something less than the full statutory liability."

In other words, Mr. Stockbridge approves Mr. Sobeloff's failure as a representative of the court to secure a full assessment of stock liability helpful to the stockholders in an amount of over $1,200,000 and to that very extent harmful to the depositors and creditors. Was he representing the court correctly and properly in reducing the stockholders' losses and thereby increasing the creditors' losses? The contradiction of interests and results are patent to the discerning and inquiring mind. Doubletalk is no excuse for this.

Former Senator Radcliffe on page 60, at line 17, of the transcript says, "There was no criticism from any member of the committee of Mr. Sobeloff at any time but on the contrary, the members of the committee felt that in a very trying situation he had handled himself entirely with propriety."

On page 61 of the transcript, at line 6, Senator O'MAHONEY asked, "What was the official relationship between the committee and the nominee?" Senator Radcliffe answered, "None," and later Senator Radcliffe said at line 22, on page 61, "No, none whatever."

What then becomes of the former Senator's praise? The fact of the matter was that the committee there referred to acted before the date of the receivership and before Mr. Sobeloff's connection with the receivership. See Hospelhorn's testimony on page 67 of the transcript at lines 21 and 22. Mr. Hospelhorn in his testimony at page 65, line 7, says he was the former receiver of the Baltimore Trust Co. He is still the receiver, for the case is still open, pending and not closed.

Mr. Hospelhorn, on page 68, line 7, of the transcript, says he paid 70.34 percent on the dollar. This I believe, was the refund to the depositors only. The record will show that the stockholders, officers, and directors and guaranty fund contributors' losses exceeded $50 million. (See court records.)

Mr. Hospelhorn again on page 69 of the transcript says that Mr. Sobeloff had no connection with the Baltimore Trust Co. building. That statement is not true. Mr. Sobeloff made an elaborate report on the building showing it had been devalued to $1 subject to a trust note of $5 million. Rigger, a straw man figured in several deals for the building and in other deals of the trust company. The committee will wish to know whether Mr. Sobeloff represented, directly or indirectly, Mr. Funkhouser or his affiliates. On this point the further testimony of Mr. Sobeloff is necessary and the testimony of Mr. Funkhouser is essential. The sale in 1941 of the stock representing the ownership of the Baltimore Trust Building was part of a conspiracy by Rigger, Funkhouser, Hospelhorn and others to cheat and defraud the depositors and creditors of the Baltimore Trust Co. The transaction was not several or three steps removed as Mr. Hospelhorn (at p. 70, line 15, of the transcript) testified and before Mr. Sobeloff got into the picture with Mr. Funkhouser. This testimony is incorrect because the court record contains a letter from Mr. Hospelhorn dated in November 1942, that Mr. Funkhouser bought the stock and the $5 million note. Then, in 1942, Mr. Donald Symington (see his estate papers in probate court of Harford County, Md.) bought the remaining assets of the Baltimore Trust Co. through the Colonial Mortgage Co. which included the note of $5 million and other notes for $160,000. Mr. Symington at the same time acquired all the assets which the Colonial Mortgage Co. had bought which also included his own personal note of $700,000 for a consideration of about $300,000.

The foregoing proves lack of diligence on the part of Mr. Sobeloff in protecting one of the principal assets of the Baltimore Trust Co. for the benefit of the depositors and creditors.

The testimony of Sobeloff in quoting from a letter from Mr. James Bruce, at page 160, line 15, etc., requires examination. Mr. Sobeloff found dishonesty. He found fraud in his reports. He found criminal and civil negligence. These findings were against the officers and directors. The fact of the matter is that Director James Bruce—nephew of Howard Bruce, formerly chairman of the board of the Baltimore Trust Co.—returned $50,000 in securities which one Handley (a director) had wrongfully given to the guarantee fund of $7,500,000 in 1931. This $50,000 was returned by Director James Bruce to its rightful owner (a foreign depositor) through Handley. Handley became pressed and committed suicide. Director James Bruce, through his attorney, Mr. Levy, threatened to go into bankruptcy if he (Bruce) were forced to pay the $50,000. How such commendation from Bruce can help Sobeloff in face of Bruce's obvious falsehoods and conduct is beyond comprehension. When he (Bruce) says "He had nothing to do with the acts complained of" he obviously lies. (See Correspondence in the Court Records.) Where Mr. Sobeloff says at page 157 of the transcript that Mr. James Bruce contributed $50,000 to the settlement fund, he is incorrect, for James Bruce threatened personal bankruptcy when called upon to pay for his wrongful act and his uncle Howard Bruce gave $50,000 to make up for the $50,000 James Bruce required to be returned through Handley to the foreign depositor. The letters from Mr. James Bruce by his attorney, Mr. Levey, in elucidation of this circuituous transaction reflects no credit either on Mr. Bruce or Mr. Sobeloff's veracity or the propriety of their official conduct. This is so notwithstanding the fact that Mr. Sobeloff is solicitor general and Mr. Bruce was formerly an ambassador.

Another thing that requires further examination and exploration is the fact that notwithstanding Mr. Sobeloff's official duty as an officer of the court to aid in the collection and preservation of the assets of the Baltimore Trust Co. for the benefit of the receiver and ultimately for the benefit of the depositors and creditors of the trust company, he sought for other clients to diminish those assets for the benefit of his other clients. He sought to increase the receiver's obligations. He sought rent from the receiver for the Funkhouser interests (O'Sullivan Building, Inc., being in reality Raymond J. Funkhouser, the real owner in the transactions of the Baltimore Trust Building) although the receiver had a rent-free agreement to occupy space in the building for the receivership. (See petition filed October 21, 1943, signed by Simon E. Sobeloff in file No. 1117 in case No. 2043a in said receivership proceedings and also see answer of the receiver under file No. 1118, together with attached correspondence filed November 16, 1943.)

The undersigned will assist anyone designated by the committee to study the records on file in the clerk's office in Baltimore, or in any other proper manner assist the committee in determining the truth of the foregoing. I am familiar with the details in the record and have made copious notes from them. The undertaking is not an easy one. A competent analysis now may prevent the confirmation of an improper nominee to a lifetime position of power, trust and influence.

Respectfully submitted.

CHARLES SHANKROFF.

BENEFITS TO HOSPITALS BY THE FORD FOUNDATION

Mr. POTTER. Mr. President, it has come to my notice that a large number of voluntary, nonprofit hospitals in Michigan are benefiting to the extent of an estimated $8,900,000. Already nearly $4,450,000 has been distributed or is at this moment in process of being distributed by the Ford Foundation.

My State is thus benefiting very materially from this distribution, but, of course, each of the 48 States and the Territories of Alaska, Hawaii, and the Commonwealth of Puerto Rico are to enjoy the fruits of this $200 million program of foundation grants.

It seems to me that this is one of the most far-reaching, and important, philanthropic programs the Nation has benefited from in a long time, for it helps to safeguard the health of the Nation, and so it helps us to make the most of one of our most precious resources—the people of the land.

The effect of this unprecedented gift to the Nation's health institutions is almost beyond measuring. Huge as the sum might be, and important as the grants will be to many hospitals, it is clear, however, that they will not solve the problem of financing the health needs of the Nation. H. Rowan Gaither, president of the foundation, said that he hoped the grants would challenge people to raise more funds in their own communities toward extending further their hospital facilities. Quite understandably Mr. Gaither said that no foundation, regardless of its resources, could possibly afford to do the entire job, and he therefore places the responsibility where it belongs: squarely on the shoulder of all Americans.

Already there are indications that the foundation grants have catalyzed action at the community level. A hospital administrator in Maine said that his institution's fund drive had bogged down, but that the Ford Foundation's grant gave the campaign a new impetus that seemed strong enough to put it over. Other instances show that hospitals have used, or are going to use, the foundation grant as seed money, with which more funds would be raised. In still another case, a hospital plans to set up a foundation, part of the capital to come from the foundation's grant, the rest from local resources. The foundation would be used to further medical research. Only income from the foundation, no capital funds, would be spent for this program.

Because the Ford Foundation wanted to spur communities into action to expand their hospital services, only the voluntary, nonprofit institutions were declared eligible for grants. Those thought to be eligible were notified, and asked to file an application for a grant, the amount of which had been calculated on the basis of patient days of service provided, and the number of births in the institution. But regardless of these criteria, grants were made for not less than $10,000 nor more than $250,000.

The foundation felt that hospital boards of trustees were best equipped to judge the needs of their institutions, and so wide latitude was given them to determine how best to apply the funds. The only restrictions were that the grants could not be used to retire existing indebtedness, nor could they be used to pay for services currently being rendered by the hospital. This still made it possible for a hospital administrator and the board of directors to use the money in a way they think would be most beneficial to the community's health needs.

By far the most frequent application of the grants has been in new buildings and equipment, for many American hospitals are woefully inadequate to meet the demands of modern medicine.

First, hospitals are being used more and more every year, and with longevity increasing the amount of geriatric care, the strain on existing plant and equipment is enormous. Couple these facts with great advances in medical science, which demand space and facilities, and it can be seen that hundreds of additional beds, and everything that helps to support them in equipment, supply rooms, sterilization centers and such, must be made available if we are to maintain the health of the Nation. It might seem strange, at first, to discover that many hospitals plan to use their grants to buy new elevators, but here is one of the most pressing needs, especially for old hospitals. One administrator in a fairly new hospital said he wanted to put in the new elevator if for no reason other than the fact that long lines of visitors were forced to wait inordinate periods of time for the elevator when they came to visit their relatives who were patients.

Some of the grants will be used for education—teaching of various kinds, and especially new techniques. Others will be applied to improving the services of the hospital so that it can become accredited through a body of medical organizations led by the American Hospital Association.

However the funds are used, it seems clear from the way in which the grants have been hailed by everyone who has anything to do with health in the Nation—and this includes officers of hospitals that were not on the grant list because they were Government or profit institutions—that they will contribute greatly to the well-being of the Nation. And if the grants point up the need for additional hospitals, and couple this with the responsibility for providing this care, they will have matched in practicality the warmhearted way in which they were made.

TRAVELS OF RUSSIAN MILITARY ATTACHÉS THROUGHOUT THE COUNTRY

Mr. MAGNUSON. Mr. President, I call the attention of the Senate to what I consider to be a very unusual situation. I feel certain that all Members of the Senate, especially those who serve on the Committee on Armed Services, have had appear before their committees on many occasions witnesses from the Department of Defense, the Department of State, the Central Intelligency Agency, and other agencies of the Government, who every once in a while will not respond to questions on the ground that their answers would involve matters which were classified. I am sure my friend, the Senator from Mississippi [Mr. STENNIS], who is a member of the Committee on Armed Services, will agree with me.

I appreciate the value of having many things relating to the defense of our country kept secret, top secret, or classified. I sometimes think the "classified" stamp is used too much. Often we read in the newspapers articles to the effect that a witness from some department has said, "I cannot tell you about that; or if I do tell you, you are not supposed to say anything about it." That may well be, because in some instances we would not want certain information to be made public.

But what I am about to relate is, I think, a most unusual incident of the right hand not knowing what the left hand is doing; of certain departments concerned with matters of national defense not correlating their activities.

In my State, during the past week, there has been a rapid-fire chain of events which graphically and dramatically illustrate what, to my mind, could be considered a glaring deficiency in our entire security system. Except for the alertness of a reporter on the Post-Intelligencer, a daily newspaper of Seattle, the Nation might not have known of this glaring example of deficiency in our security system.

It seems that two military attachés—not ordinary Russian visitors, but military attachés from the Embassy of Soviet Russia, persons interested in defense matters—appeared in the Pacific Northwest bearing cards or other credentials from the Department of State. I shall provide the actual designation in a few minutes; they are coming from my office, because I forgot to include them among the papers which I brought with me. One of the persons had one type of card, and the other had another. It was not a red card; it might have been a pink card; I do not know. However, these two individuals asked for vacation privileges, so that they might travel around the United States, and they designated the Pacific Northwest as the region they wished to visit. Perhaps they said they wanted to view the great scenic beauty of that area, of which the present occupant of the Chair, the Senator from Michigan [Mr. MCNAMARA], is aware. One of them is a military attaché; I believe the other is a naval attaché. Both are connected with the Russian Embassy in Washington. Their names are Lt. Col. S. S. Fedorov, assistant naval attaché; and 1st Lt. I. P. Sakulkin.

Not only did they plan this trip, but, so far as I know, they are still in the West, having been allowed by the State Department to make the trip. There they are visiting what I consider to be some of the most vital defense establishments in the whole United States.

I understand that perhaps the Department of Defense was advised in advance where these attachés intended to go. But the disclosure of their travels after they reached the Northwest has caused great concern, because the people of that area were alerted to the fact that these men are not merely Russian visitors or Russian farmers, of the type with whom we are seeking to establish liaison, but are military attachés of the Russian Embassy.

The people of the Northwest were aroused when the disclosure was made by an able reporter whom I know, Douglas Welch, of the Seattle Post-Intelligencer. Other newspapers picked up the information, and everyone began to ask, "What about this? Why are these men here?"

These two men took a route which they announced in advance they planned to take. The first visit they made was to Seattle, where the B-52 bomber is manufactured. All the engineering plans and other details connected with the development and manufacture of the B-52 are to be found in Seattle. As my distinguished friend from Mississippi [Mr. STENNIS], who is a member of the Committee on Armed Services, will attest, the B-52 probably is one of our most important planes.

There are restrictions on some places in the United States, where even American citizens may not go. There are some places where foreigners may not go. I do not know where it is that Russian military attachés may not go, in view of what happened on this trip, since they obtained the consent of the State Department. Seattle itself is not out of bounds, as it were. Perhaps 80 percent of the Boeing aircraft are manufactured in Seattle. There is another plant in Renton, which lies on the border of the city limits of Seattle, but wholly within the confines of the area. However, parts of King County, in which Seattle is located, have in some cases been off limits. But this restriction can be brushed aside by a certain piece of paper from the

State Department, which these men had. They went to Seattle. They moved around the Boeing plant and other places to which I suppose none of us—certainly not the average American or the average visitor, no matter whence he comes—could go, unless he had military sanction from another nation. Missions from other nations do come to look at these things.

Next, they immediately took a boat to Bremerton. That is across Puget Sound from Seattle. That, for some strange reason, is not in bounds at all, but out of bounds. There is located the largest Navy yard in the world. There is located the home of the greatest repair fleet in the world and the largest mothball fleet of the entire American Navy. I have to have a pass even to get into the administration building in the Bremerton Navy Yard.

These persons took a boat, apparently, and went around the whole place. Whether they went in the yard, I do not know, but they should not have been allowed to go even close to it.

There has been some suggestion, which suggestion is being run down, that they went inside the yard, but the fact that they could move around on the water made it easier than going in the yard. That is where our large naval ships of the *Forrestal* class are being converted into the guided missile class. Work on one, the *Franklin D. Roosevelt,* has just been completed.

Then they asked to go, of all places, into Kitsap County, after the State Department had given them this blanket letter. That would not be where the average tourist would go. They asked to go to a place called Bangor and a place called Keyport, and they did go. I do not mean that they asked to go; I mean they had free access to go, and they took a beeline there. Bangor is the greatest ammunition dump we have, with highly guarded secrets regarding ammunition, the loading of it, and otherwise. Keyport is the torpedo center on the Pacific coast for research and manufacture and repair of torpedoes, and many classified and top-secret things go on there.

Whether they got into the yard, or what they did, I do not know, but they went all around it. The information received is that they bought all the maps they could find. As a matter of fact, they joined the AAA, so as to get their maps. One would not have to join that association to get maps. I suppose they could be obtained at a filling station, but that is the way the minds of that type of people sometimes work.

After they got through with that, they rented a car and started to go north from Seattle to the next county north of King County, which is called Snohomish.

For some strange reason—it is not really a strange reason; I think I understand the reason—the next county to the north is out of bounds. It is common knowledge that there exists there a very secretive and high-powered transmitting unit for the whole Pacific.

Finding that they could not go through Kitsap County, they took a bus through that county, rerented a car, and went on north; but in doing so they could have swung around to the Whidby Island Naval Station, in which most highly secret methods of aerial warfare are being tested.

They went up to Bellingham. Then, so far as we know, they obtained another rented car and went down the coast to take a look at the coastline. Then they started up the Columbia. On the Columbia are many dams and locks and all the works which are necessary for our aluminum and light metal plants. For some reason, those places were not out of bounds.

Where these attachés are now I do not know, but about the only place they did not see in the State of Washington that means a great deal to the defense of this country was the highly restricted atomic energy plant at Hanford, and no one can get into that; but they probably went by there and took a little look at it. The amazing feature is that they announced some of their plans before they left, and yet obtained permission.

Their plans, so far as we can tell, were to fly to Tacoma, spend 4 or 5 days in Seattle, and 1 or 2 days in Bremerton.

No visitor that I know of who goes to that great scenic area for recreation would particularly specify a certain designated place on Puget Sound like Bremerton. Bremerton is the site of the largest navy yard we have.

Then these gentlemen announced that they wanted to spend 1 or 2 days in Port Orchard. One can swim across from Bremerton to Port Orchard. There is a little arm of the bay there. One can sit at Port Orchard for 1 or 2 days, and I suppose, with the right kind of long-distance lens, one can really observe the ships, learn when they come and go, determine the number of ships, and learn everything else about them, because one can look right down on the navy yard.

Why would two military attachés from Russia, 3,000 miles away, want to go to a little place called Port Orchard when they got their visas? I am willing to wager that not 1 out of 10 Americans have even heard of the place. But that is what they said they wanted to do. I suppose they thought their request would be turned down. They must have taken the first plane they could get passage on, when clearance was made of their request.

They wanted to spend 4 or 5 days in Seattle. That is not unusual. Then they wanted to visit Bainbridge Island. I used to live on Bainbridge Island. We never had any visitors there. That is why a few of us lived there. It is secluded. It is hard to get to. But it is located in the middle of the navy yard at Keyport. That is an ammunition station, where the ammunition for the fleet is loaded. There is not even a place to stay on Bainbridge Island, unless they stayed in my old cowshed. Much can be seen from there. That is where these persons said they wanted to go.

They also mentioned Keyport and Bangor. Then they were going to return to Seattle by auto over routes 14, 148, 21, and 21A; travel from Seattle to Bellingham by rail; and travel from Bellingham by auto to Oregon City, Oreg. They did not specify the dates. That is not unusual, because they were taking a general route south. But the areas to which they requested permission to go, and to which for some strange reason they were allowed to go—and we shall find out more about this matter—include practically every important defense installation in the Northwest. Mr. President, it would almost seem as if, by some strange coincidence, those two Soviet military attachés were drawn to each of those defense-installation areas by a powerful magnet. How strange it is that, while on an alleged vacation trip, they wished to stay on Bainbridge Island.

Mr. President, in view of this development, I have requested a report from the State Department.

Incidentally, among the areas included in the trip by these two Soviet military attachés is the eastern part of Washington, which has not been classified as a restricted area, although that where all the huge aluminum plants are located, and is also where Grand Coulee Dam is located, as everyone knows.

If this sort of thing can happen, apparently something drastic needs to be done about our security planning. Certainly, Russian military attachés should not be allowed this sort of leeway; and certainly in connection with our security operations, the right hand should know what the left hand is doing.

What the State Department has done about this matter, I do not know.

Someone may say, "Well, photographs of the Bremerton Navy Yard and the other installations could be obtained, anyway." I suppose that is true, if sufficient effort were made. But, Mr. President, to allow military attachés of the Communist Government—and probably top Communists—to go to these places and see for themselves is more than I can understand. If we need security at all, I cannot understand why such a trip should be allowed. If we do not need any more security than this development indicates, we should not have any at all.

Mr. President, in view of what has occurred, I have sent identical letters to the State Department, to the Department of Defense, to the Department of Justice, and to the Central Intelligence Agency. In all fairness, I must say that the State Department said it would look into the matter. As yet, I do not know what connection the CIA has, government-wise, with this situation; but I should like to find out. I do not know where these two men are now. Perhaps they are in California; I do not know. They obtained the cards or slips, although I suspect that the Department would like to revoke them. Certainly theirs was the most brazen sort of trip by such military personnel that I have ever known to be taken in the United States. If we need any security at all, such trips should not be permitted. The trip these two military attachés of the Soviet Embassy took is one which the average patriotic American would not be allowed to take in any case, without being granted special privilege of some sort.

Mr. President, at this point I shall read the letter which I sent to the Department of State, the Department of Defense, the Department of Justice, and the Director of the Central Intelligence Agency:

MAY 17, 1956.

The Honorable JOHN FOSTER DULLES,
Department of State,
Washington, D. C.

The Honorable CHARLES E. WILSON,
Department of Defense,
Washington, D. C.

The Honorable HERBERT BROWNELL,
Department of Justice,
Washington, D. C.

Director of Central Intelligence Agency,
ALLEN W. DULLES,
Washington, D. C.

MY DEAR MR. SECRETARY: The urgency of immediate steps being taken by the Departments of State, Defense, Justice, and Central Intelligence Agency to close the entire State of Washington to Soviet representatives, has been dramatically illustrated with the apparent ease by which two attachés of the Soviet Embassy during the past week have approached vital defense installations in my State.

That is a mild statement, because much more than that has come to light, and I think a great deal more will come to light.

I read further from the letter:

It is inconceivable that the classification of closed areas has not extended already to the Olympic Peninsula which embraces the counties—

I designate the counties, because in the past that has been done—

of Kitsap—

Where so many defense installations are located—

Clallam, Grays Harbor, and Mason in view of the installations that section of my State contains.

In view of the fact that Lt. Col. S. S. Fedorov, assistant naval attaché at the Russian Embassy and 1st Lt. I. P. Sakulkin announced their travel plans to the foreign liaison officer at the Department of Defense in the Pentagon, the route outlined should have been a clear indication to every agency involved that more than a vacation trip must have been contemplated.

Let me recount the plans these men filed—2 days in Bremerton, the strategic site of our only deep-water naval base on the Pacific coast which can handle every type ship in the American Navy; 2 days at Port Orchard from which one can get a closer look at activities in the Puget Sound Naval Shipyard; 1 day at Keyport, site of one of our most productive strategic production centers during World War II; 1 day at Bangor which is one of our most vital naval ammunition depots on the Pacific coast.

In addition, the travel plan of these two key Soviet representatives included a trip to Bellingham by car.

Up through the area I have mentioned, probably around by Whidby Island, the naval air base, which is right on the way.

I read further from the letter:

Since Snohomish County is already classified as closed to Soviet representatives—

Some of these places have been closed to them, but the rest have been left open. But these men saw all they wanted to see—

we can only assume that they followed a course even closer to our Whidby Island base where the Department of Defense presently has an expansion program underway.

I am aware that as a result of excellent reporting by the Seattle Post-Intelligencer the Nation has been alerted fully of the seeming inadequacy of our present security program and the dangers posed.

Mr. President, I wish to say that I have referred to the articles published in the Seattle Post-Intelligencer—although I do not have clippings of all such articles published in it—because that newspaper printed the first story in regard to this matter, and of course did an excellent job.

I read further from the letter:

I have your promise that a thorough investigation is being made concerning any violation of existing security regulations, but I point out again that events of this nature reemphasize the necessity of classifying the entire State of Washington as closed to visitors from Iron Curtain countries immediately.

In particular, it should surely be closed to military representatives of the Soviet Union.

I read the conclusion of the letter:

I shall expect a full report of the investigation currently underway and of additional steps taken to bring all of our strategic national defense areas under the most complete security precautions possible.

Sincerely,

WARREN G. MAGNUSON,
United States Senator.

Mr. President, in closing, let me say that I was going to submit for the RECORD a copy of a telegram, but I shall not do so until later.

AGRICULTURAL RESEARCH

Mr. STENNIS. Mr. President, soon Members of the Senate will be called upon once more to pass upon a proposed budget for the Department of Agriculture.

Today, I shall discuss one part of the Department's proposed budget, namely, that dealing with agricultural research. On previous occasions, I have spoken on this subject, and have tried to make clear the importance of research and education in reaching solutions to the many serious problems confronting agriculture. As we in the Congress come to grips with a farm problem that is as serious and immediate as any I have ever known, I retain my belief that ultimately research will play a key role in the development of new uses for crop and livestock products; in the development of new crops; in the development of new and stable market outlets at home and abroad; and in the improvement of practices to cut the cost of production and marketing of farm products at every step along the way.

In terms of the amount of money requested for the fiscal year beginning July 1, 1957, the administration has dealt generously with agricultural research. For this, I commend the President and Secretary of Agriculture Benson.

The budget requests a total of approximately $103 million for all of the Department's research activities. This is an increase of about 20 percent over the current budget. Such an increase should enable the Department to begin some projects which it has delayed because of the lack of funds. Perhaps it will even allow a general expansion of the program. I am confident that the money can be put to sound use.

I digress to comment upon the contrast. Even though this budget is approximately all the money we can judiciously spend in the next year on agricultural research, at the same time, in another committee, I hear evidence about military research running into billions of dollars. It is a constant reminder that our great need is to put more of our energy and effort into constructive channels rather than destructive channels. Along with others, I hope the day is approaching when we can make a constructive approach along many lines.

I am sure we are all aware of the fine organization within the Department that is responsible for agricultural research and how it functions. This unit is called the Agricultural Research Service, which carries on research in the production and utilization of farm products. The Administrator of Agricultural Research Service also coordinates other departmental research, although the administration and actual conduct of work are carried on by the individual agencies—for example, the Forest Service and the Agricultural Marketing Service. The Administrator also administers the Federal-grant funds to the State experiment stations for the conduct of research.

It is my privilege to visit from time to time many of these branch agricultural stations or State agricultural experiment stations. I believe that the fine cooperation which exists there is one of the finest examples we have in all our Government activities. Agricultural research scientists are working side by side, and hand in hand, at the State experiment stations. They work together so closely and coordinate their work so effectively that as one visits them and moves among them while they are at work, one cannot tell which is working for the State and which is working for the Federal Government. I think the same spirit prevails throughout their work at all levels.

There are about 3,000 research scientists in the Agricultural Research Service, plus 1,000 or more in other Department agencies. Some 1,200 of the scientists are located at the Agricultural Research Center at Beltsville, Md., a few miles north of Washington. Many project leaders have their headquarters at Beltsville, which serves as a coordinating point for much departmental production research conducted at other places. Utilization research is conducted primarily in four regional research laboratories located in New Orleans, La., Wyndmoor, Pa., Peoria, Ill., and Albany, Calif.

In all, there are about 500 Federal and State field locations. Most of these are field laboratories, substations, or other centers operated by the State agricultural experiment stations—which in turn are a part of the State land-grant colleges and universities. The States have some 7,900 scientific people—about half devoting full time to research, the others dividing their time among research, extension, and teaching.

The Federal research program is closely allied with the State-supported research and educational programs, and a great number of Department scientists are located at the State stations. Agricultural industry also conducts research, and the Department cooperates closely with industry on many problems, although the pattern is somewhat different and less closely knit.

I shall now give selected examples of what our agricultural research program has meant to the farmer, the consumer, and the Nation. These facts should be especially noted for the significance of agricultural research.

I. CHANGES FOR THE FARMER

MECHANIZATION

There has been a 40-percent increase in the number of tractors on farms since 1949. The number of mechanical corn pickers on farms has increased by half a million since the end of World War II.

In some cases machines, in one trip over a field, will plant, fertilize, and spray to control weeds, all at the same time, as with cotton in the South.

Besides the usual large equipment, farmers have milking machines, fence controllers, stock clippers, barn cleaners, welders, grain elevators, tool grinders, chick and pig brooders, automatic livestock and poultry waterers, and many other types of equipment that help them save time and labor and do a better job.

They used 10 billion gallons of gasoline and oil last year—plus an untold number of kilowatt hours of electricity. Electric power is now available on 9 out of 10 farms. Farmers are important customers of many industries. Their gross income in 1954 was about $30,460,000,000. They spend nearly half of their income each year for production supplies and equipment, including seeds, feed, and fertilizers.

Latest development: Some of the latest developments in mechanized equipment for the farmer include a device for tipping beehives that saves hand labor, a sugar beet thinner using counter rotating heads, a new mechanical silage feeder, a mechanical tung-nut harvester, improved aviation spray equipment, a liquid fertilizer applicator for small farmers, and an air-type heat pump which uses the sun's energy.

Aircraft spray: The farmers' "strategic air command" now numbers some 6,000 airplanes in agricultural activities. For the job of controlling grasshoppers in the old days it took 2 men with 20 pounds of bait per acre to cover 150 acres a day. Today, an airplane with 2 ounces of aldrin per acre can spray 1,000 acres in 12 minutes. Federal-State-rancher cooperative control work on range lands has saved about $38 for each $1 spent per year over the past 20 years.

LABOR EFFICIENCY

Man-hours: During the Colonial period at least 9 out of 10 Americans lived on farms. By 1820, each farmer could provide for himself and four other people. Today the American farmer can provide food and fiber for himself and 18 others.

In the past 30 years output per man-hour has more than doubled. However, despite increased efficiency and savings in total worktime on farms, the individual farmer still keeps busy. According to a recent survey, for example, an average days' work in September 1955 was a little more than 10½ hours for a farm operator and a little more than 9 hours for a hired hand.

Those figures are taken from statistics, but I think they are rather low. The work hours on many farms far exceed the hours reflected by those statistics.

While the population has been increasing, the number of farmers has been decreasing. Ten years ago there were about 10 million farm workers. Now there are about 8½ million.

Livestock efficiency: Beef cattle and hogs are fed and handled much the same as they were 20 years ago. Since 1935, productivity per man-hour has more than doubled in crops, but has gone up only 54 percent in livestock.

BETTER CROPS AND BETTER LIVESTOCK

Hybrid corn: Hybrid corn is adding nearly a billion dollars a year to our national income—a yearly dividend greater than the cost of all the years of research it took to produce it. All research on hybrid corn cost only about $15 million.

Grain sorghums: Grain sorghums, superior new varieties, may be the next important hybrid farm crop. The new forage is particularly adaptable to semiarid land. By 1960 most of the 10 million acres now planted in open-pollinated varieties of grain sorghums may be planted with the new varieties. The hybrids have a potential for increased yields of 20 to 40 percent over those of varieties currently in use. They promise gains at least equal to those which farmers now get from hybrid corn.

Broilers: Research during the past 20 years showed poultrymen how to get 42 percent more meat from the same amount of feed and how to get 162 percent more production from a man-hour of labor. The result: From a fringe farm operation worth $24.5 million to farmers 20 years ago, broiler production has mushroomed into a highly commercialized business, grossing $800 million and providing 20 pounds of poultry per person in 1954.

Meat-type hogs: Livestock, too, is changing. More farmers now are raising the meat-type hog, because that is where the markets lie. Research experience in developing these hogs may help in breeding some of the back belly fat from beet cattle without losing the marbling that makes prime cuts of meat.

Beltsville turkey: The Beltsville turkey with more white meat is a well-known innovation of research.

Beef: Beef cattle growers have learned to breed beef cattle that produce heavier calves that mature faster and on less feed. It is now possible for 1,000-pound steers to be finished for market 3 months earlier than they were 10 years ago, and 2 to 3 years earlier than 60 or 70 years ago.

NEW CROPS

Strawberries: In the spring of 1955, for example, nurseries had about 150 million high quality virus-free strawberry plants of 24 different varieties. Seven more virus-free stocks of eastern varieties are being propagated for release to growers in 1956 or 1957.

RECENT FRUIT AND VEGETABLE HYBRIDS

Onion—Early Crystal 281—an onion variety that matures earlier, for commercial planting in the South.

Watermelon—Charleston Gray—a superior watermelon for southern growers.

Spinach—Early Hybrid 7—a bluemold and blight resistant spinach for the Texas-Arkansas area.

RECENT FIELD CROP HYBRIDS

Grain sorghum, mentioned earlier.

Oats—Ranson, Gary, and Minland—rust-resistant oats.

Grass—Emerald, Zoysia—winter hardy, nonfluffy, fast spreading, released in Georgia.

Bermuda grass—Suwanee—thrives in deep sand.

Bermuda grass—coastal—estimated to be bringing returns of about $6 million a year to Georgia farmers.

Grapes: A Loretto bunch grape with double chromosomes—bundles of inheritance determining factors—first bore a full crop at Beltsville in 1955. It had some berries 3 times as large and bunches 2½ times as large as the normal Loretto. This and several other new varieties seem to have the fine qualities of the grapes from which they were developed by chemical manipulation of genetic factors. Further tests and plant propagation procedures may require several years.

Apples: Nature is making the plant breeders wait, too, while new varieties of apple trees grow. One of these is a rare variation of the winesap. This was developed through a process of plant surgery from a winesap tree sport—a branch with double chromosomes in its deepest tissues—found in the J. J. Reimer orchard at Palisade, Wash. Bigger and better apples, too, seem to be on the way, as 1955 gives us a promising look at future harvests.

NEW PLANT INTRODUCTIONS

President John Quincy Adams in 1827 asked all American consuls to send rare plants and seed to Washington for distribution to interested growers. Through the years, the introduction of plants and seeds has been a continuing activity. Since the Department started its inventory in 1898 a quarter of a million plant introductions have been made. Some of these—like soybeans and crested wheatgrass—have helped to revolutionize farming.

Recent introductions: The Sunapee peach from New Hampshire, brought from the Caucasus in Russia; the Mysore raspberry from southern Asia; walnuts from northern China; and a wild tomato from Peru are some of the plants recently found to be adaptable to the United States. Plant exploration programs continue systematically to introduce other possibly valuable varieties to this country.

Medicinal plants: Medicinally valuable plants were the object of extensive searches by USDA plant explorers, who found one variety of Mexican yam containing a chemical compound that may prove useful in the manufacture of the antiarthritic drugs, cortisone and related compounds. Other explorers,

through an arrangement between USDA and the National Heart Institute, send back tropical plants for study of their potential value as a source of cardiovascularly active chemicals.

Field crops: Field crops, too, were imported by the plant explorers and improved by the breeders. Many of the 4,730 grasses and 1,354 legumes brought into the United States during 1954 from Asia for trial are now under experimental cultivation. Forty-five grass introductions and 30 legumes brought in since 1948 are either now in breeding programs or are being released for commercial production. American-Egyption cotton, for example, is one of the new adaptations that is proving productive.

II. CHANGES FOR THE CONSUMER

DIET IMPROVEMENT

More protein: Today, because of agricultural research, we are eating more than a fourth more of the high-protein foods that we ate in 1935. More and better food costs us relatively no more than we paid for a less desirable diet 30 years ago. Twenty-five cents of each dollar still goes for food.

Examples: Today, the average United States take-home pay for 1 hour will buy 7 quarts of milk, whereas it would buy only 3½ quarts 30 years ago; 3 dozen instead of 1 dozen oranges; and 2 pounds instead of 1½ pounds of steak. We eat nearly twice as much ice cream now.

Variety: Our variety of foods then was limited and governed by seasons. Now we have a wide variety, including many foods that are processed and packaged for convenient use.

OTHER CONSUMER RENEFITS

Less time in kitchen: Through development of modern packaging, processing, and transportation of foods—in which private industry and farmers have led the way—kitchen time for the average housewife can be cut from 5½ hours if she buys the least highly processed forms of food on the usual markets of today to about 1½ hours a day if she buys the most highly processed forms of food to prepare a day's food for a family of four.

Prepared frozen foods: New evidence of the increasing trend toward built-in convenience in commercially prepared foods is the USDA report that production of prepared frozen foods increased 67 percent from 1954 to 1955. Prepared frozen foods—534 million pounds were produced in this country in 1955—are the items which have been wholly or partially cooked before freezing or have had other prefreeze preparation which usually is done in the home kitchen.

III. UTILIZATION RESEARCH BENEFITS—TYPES OF RESEARCH

Perishable commodities: Research on the perishable commodities—milk, eggs, and most of the fruits and vegetables—has been directed toward development of methods for converting them to a permanently stable, palatable, convenient-to-use form so that they are preserved and made available throughout the year. This conversion to a year-round product also tends to stabilize the price of these commodities.

Nonperishable or storable commodities: Wheat, corn, cotton, and inedible animal fats pose the most serious problems. During the past 50 years, for example, the annual per capita consumption of wheat has dropped from 230 pounds to about 140 pounds. One of the factors contributing to this decrease is changing food habits. Another is believed to be the rapid aging or staling of bakery goods. One approach to the staling problem involves the freezing of bread and bakery goods, or bread softeners—to prevent staling.

EXAMPLES OF RESULTS

Frozen orange juice: At the end of World War II, the citrus industry was deeply concerned with possible serious orange surpluses. There were even discussions on the possible need for Government price supports.

Then, frozen concentrated orange juice was introduced to the public. The basic work on this product had been done through a cooperative undertaking of the Florida Citrus Commission and the USDA. Because the product can be stored for more than a year, is convenient to use, and has practically the same flavor and quality as fresh juice, it was widely accepted by consumers. The industry has mushroomed during the past several years, and the expanded production of oranges has been absorbed without difficulty. This development has thus prevented a serious surplus problem.

Other frozen juices: Frozen concentrated lemon, tangerine, grapefruit, grape, and apple juices are now on the market as well.

Powdered juices: Fruit and vegetable juices can also be converted into another form. Orange, lemon, apple, prune, grape, and tomato powders of excellent palatability have been developed. The powdered juice can be stored on the kitchen shelf with other staples and can be reconstituted quickly by the addition of water—even ice water.

Dairy products: The present surplus of dairy products is well known. However, excellent progress has been made in producing flavorable food products from skim milk—formerly a by-product chiefly used as feed. This will permit the sale of butter at a price more competitive with that of other edible fat spreads. Advances are also being made in developing stable and palatable forms of whole milk. We believe that a stable whole milk concentrate or powder can do for the dairy industry what frozen concentrates have done for the orange grower.

Cotton: One of our big surpluses is in cotton. During the past several years cotton has felt keenly the increasing competition of manmade fibers, particularly in industrial utilization.

An intensive research program is underway to improve the properties of cotton through chemical treatment and modification; in brief, to tailormake cotton fibers for special uses. One of these fibers, acetylated cotton, has higher heat resistance than either natural cotton or synthetic fibers and is being used for commercial and home laundry ironing board covers. It also has marked resistance to biological attack and sunlight. Better flameproof cotton fabric using the chemical, THPC, is another example of chemical treatment. Actually, hundreds of tailormade fibers can be produced from cotton by treatment with chemicals.

Fats: Fats are in surplus largely because synthetics replaced them as a base for soap. Utilization research found new uses for inedible fats by developing methods to use them in products such as floor tile, garden hose, raincoats, and similar products.

Information has been obtained that has led to large-volume outlets for animal fats in feeds. When properly stabilized, fats are particularly attractive for feed use because of their high caloric value and the fact that they increase palatability of the feed, make pelleting easier, and help to eliminate dust problems. Consumption of fats in animal feeds already exceeds 200 million pounds a year. This has been an important factor in lifting the price of fats from about 5 cents to 7½ cents per pound and establishing a floor under the price at the higher level. It has contributed to increased returns to the livestock industry of some $50 million per year.

Thickening agents: Research on thickened frozen cooked foods and canned foods, including sauces, gravies, custards, puddings, and cream-puff fillings, has shown that undesirable changes in consistency of the product during storage can be satisfactorily prevented for 6 to 12 months by the use of thickening agents made from waxy types of rice or corn. These waxy grains are specific varieties with kernels having an unusual chemical composition. Liquid separation and a curdled appearance in processed food products are serious defects from the standpoint of consumer acceptance. Many manufacturers are now solving these problems by using the newly developed waxy-cereal thickening agents.

Bread freezing: Investigation of the rate of freezing of freshly baked bread and some other bakery products in a refrigerated air blast, and of the rate of defrosting these products by several methods, has disclosed the conditions that are essential for greatest retardation of staling. The staling rate of bread is greatest in the temperature range between 20° Fahrenheit and 45° Fahrenheit, and loaf temperature must be reduced or raised rapidly through this temperature zone to minimize staling. Information of this kind is essential for successful large-scale production and distribution of frozen bakery products.

Soybean oil: New compounds—vinyl ethers of soybean alcohols—have been prepared by chemical modification of soybean oil. These nonvolatile ethers can be converted to paint vehicles expected to be of use in making air dried or baked finishes. Evaluation studies indicate that hard and durable films can be obtained from these ethers by baking. These films have unusual resistance to acid, alcohol, and alkali—an important property for finishes needed in many industrial applications, particularly for consumer products. Further work is underway to evaluate fully the usefulness and importance of these ethers in pro-

tective coatings. They represent one of many possible types of industrial chemicals or intermediates which may help the vegetable-oil industry to capture new markets.

Penicillin: Penicillin production throughout the world today is based largely on a cultural method developed by the Northern Utilization Research Branch at Peoria, Ill. By using a mold found on a ripe cantaloupe plus a better diet for the mold, USDA scientists were able to increase penicillin production more than a hundred times. The wholesale value of penicillin is estimated at more than $100 million a year, but money value cannot be placed on the human lives saved.

Fertilizer bags: Utilization researchers found that with new dyes the acid in fertilizers did not make the bags unusable as dress materials. Now old fertilizer bags can be cleaned, and one would never know that the bright prints they offer were not purchased as brand new dress fabrics.

IV. PROTECTING THE GAINS

PLANT PESTS

Forage marauders: Four years of study of forage on the southern Great Plains led USDA researchers to conclude that approximately 30 pounds of rodents were produced per acre as compared with 40 pounds of beef, and during the period July 20 to September 24, 1954, grasshoppers were largely responsible for the disappearance of almost one-half of the forage.

Insect losses: Today, losses from insects in the United States, plus cost of control, amount to $4 billion a year.

Profit from control: An interesting example of how pest control can yield unexpectedly high profits is provided by the experience in the control of wireworms on 60,000 acres of lima beans in California a few years ago. When a soil insecticide was used, the net increase in value of the crops was more than $4 million.

ANIMAL DISEASES

Six times in this century scientists have eradicated the dread foot-and-mouth disease from the United States. A deadly form of Asiatic Newcastle disease was detected and eradicated before it could spread through our poultry flocks. Hog losses from cholera, once amounting to as much as $65 million in a year, have been reduced to a small fraction of that amount. Research has developed a reliable immunizing agent against brucellosis, and has reduced the extent of tuberculosis in cattle.

Tuberculosis in cattle: Success in reducing tuberculosis infection among cattle from 1.5 percent in 1935 to 0.12 percent in 1955 means a saving of well over $15 million a year to cattle owners and at the same time it reduces hazards to the human family, especially from bone and glandular tuberculosis that once was common in both young and old.

Lymphomatosis: Scientists at the Regional Poultry Laboratory at East Lansing have succeeded for the first time in producing chicks immune to the visceral form of lymphomatosis, or big liver disease, in inoculating the mother hen. If a practical means is developed to control lymphomatosis, it will save poultry producers up to $75 million a year.

QUARANTINES

In agriculture, as in medicine, the payoff for prevention is not listed in statistics, except as its value is reflected in estimates of what did not happen or in before-and-after comparisons.

1955 record: USDA inspectors intercepted 11,500 destructive plant insects and 7,000 destructive plant diseases from throughout the world during fiscal year 1955 in agricultural products in cargo, stores, baggage, mail, or as stowaways aboard vessels, planes, railway cars, and vehicles. Animal pest control also included quarantine activities. Unsterilized hay and straw from countries where foot-and-mouth disease is prevalent was destroyed.

WEED CONTROL

Today, to make ends meet, and perhaps realize a net profit, farmers must do everything possible to cut their costs of production. Especially valuable is research that cuts the cost of production without increasing output of crops now in surplus. Substituting lower cost methods or materials for those now in use is one way to do this. For example, if we can use chemicals instead of tillage or as a substitute for some of the tillage to reduce weeds we often can reduce costs. In Mississippi during the past 5 years, the cost of controlling cottonfield weeds with chemicals has averaged about $9 per acre, as compared with $15 for conventional methods.

V. IMPLICATIONS FOR MILITARY PREPAREDNESS

The saying is that "an army travels on its stomach," and today's army has many special needs in food, clothing, and materials. One thing the Department has done is to build up stockpiles or sources of strategic materials. They are doing—or have done—research on numerous strategic raw materials and substitute—abaca, hemp, kenaf, phormium, sansevieria, castor beans—production and mechanization—extra-long staple cotton, canaigre, opium poppy seed, guayule, hevea rubber, digitalis, and belladonna.

Another way they help meet special military needs is in converting foods into palatable and nutritious forms that use a minimum of shipping and storage space, and keep well through long storage, often under adverse conditions. Normal civilian supplies in many cases do not fill these requirements.

Preservation of perishable foods in a palatable form became a major project for agricultural research at the beginning of World War II. At that time, dehydration offered the fastest method of meeting the basic need. Dried milk, dried potatoes, and powdered eggs are the most familiar products of this wartime research.

A further development was the compression of dehydrated foods. Compression not only reduced space requirements by 50 to 80 percent; it also saved metal containers. For example, enough dehydrated carrots to serve 800 men can be compressed into a 5-gallon can. Compression of dehydrated meat not only saved shipping space, it also helped the meat retain palatability.

Human nutrition people are constantly learning more of what food elements the human machine needs to function at optimum levels. Their studies on food composition were the basis for development of survival rations and subsistence diets used by the Army and Navy during World War II. Although the war has long since been over, progress in food research has continued.

It should be pointed out to any skeptical World War II veteran that further research has given the dried egg a new personality. The culprit mainly responsible for wartime objectionable flavors—glucose—was discovered and is now eliminated before the eggs are dried. Today's product is so good it has made the new cake mixes a rousing commercial success.

One of the newer products is orange juice powder that dissolves instantly, even in ice water, to make a juice with the color, flavor, and nutritive value of fresh orange juice. It can be stored at room temperature, and the Army so far has taken the full output. I am sure the military is also interested in further developments along this line, which are bringing tomato and other juices in powdered form.

A new food preservation process, called dehydrofreezing, combines the space and weight economies of dehydration with the convenience and freshness—retention of freezing. Dehydrofrozen apples, for example, have a much firmer texture when thawed and make better pies than applies frozen in the usual way. Dehydrofrozen foods should have considerable value in supplying posts, camps, and stations, and for special overseas needs.

Agricultural research also has a share in protecting the health of men in the Armed Forces. Commercial production of penicillin during World War II is an example. Although Dr. Fleming of England had proved the almost miraculous power of penicillin to overcome infections, the problem was how to produce it in large enough quantities to save battle casualties. The British came to us. Together, we found the way. During 1945, more than 7,000 billion units were produced—enough to treat 700,000 serious cases, enough to save the lives of thousands of soldiers. In addition, this wartime research led to improved methods of recovery and purification of penicillin. It lengthened the storage life from 3 to 18 months, and reduced the wholesale price from $20 to 60 cents per 100,000 units. The penicillin story is only one example of agricultural research that has given us new and useful medicines.

One of the most recent agricultural research contributions to medical science is dextran blood plasma substitute. Dextran first went to war in Korea. It proved effective in treating shock, which usually follows battle wounds. This fluid, made from corn sugar, can save thousands of lives in an emergency. It can be mass-produced at low cost. And it can be stored without refrigeration.

In the search for new uses for farm products, scientists have developed a starch sponge, useful in curtailing hemorrhage. It can be sewed up in a wound

if need be, since it will be absorbed by the body.

Another contribution is the new two-way stretch cotton bandage. Last year, the Armed Forces saved $5 million by using it instead of the more expensive elastic bandages. It allows free movement of a bandaged elbow or knee.

Agricultural research during World War II led to methods for sterilizing wool in such a way that the fabric was left soft and pliable. Loss in breaking strength was less than one-sixth. This is important to any army that spends millions of dollars each year for woolen clothing, blankets, and such.

More recently, with the cooperation of the Army Quartermaster, the Department has developed a mixture of DDT with chemical carriers that can be washed into woolens to protect them against clothes moths and carpet beetles for more than a year.

Cotton yarn and fabric highly resistant to rot and mildew, and able to stand greater heat than ordinary cotton was highly useful for uniforms in the Tropics. Here again, research is not content with the past, but is striving for further improvement. Iu cooperation with the Quartermaster Corps, advances have been made in flame-proofing cotton for military clothing.

A major cause for discarding shoes, particularly in the Army, is breakdown of insoles. How many pairs of shoes do our Armed Forces use each year? Let us say 3,000,000. Agricultural research has found a process for retanning the insole leather with alum, which increases wearability. If we can get the equivalent of 300,000 additional shoes from this process, that means a saving, at a conservative estimate of $5 a pair, of $1,500,000 a year. In addition to all this, wearing tests have shown the new insoles are far more comfortable.

During the Second World War, Department chemists hit upon a new method of stabilizing guncotton—or nitrocellulose. This method saved about two-thirds of the time formerly needed in making the explosive, and made possible substantial savings in the cost of smokeless powder for large-caliber guns.

Smokeless powder production gained another boost from the development of a machine that cuts cotton fiber to very short lengths—about one-tenth inch. This machine paved the way for emergency use of cotton lint in making smokeless powder, speeding up the process, and reducing cost.

Another contribution was the development of "soft grit" blasting, using ground corncobs and rice hulls, for the removal of hard-carbon deposits from cylinders and pistons of aircraft engines being overhauled. The soft grit is not abrasive and does not cause dimensional changes in the parts. Neither masking of parts nor use of hand tools is required.

A recent development is the lightweight respirator that protects against new insecticidal sprays and dusts. When German-developed insecticides from poison gases were first tried here after World War II, we had no breathing device to protect the users. This new equipment is worn over the nose and mouth, and filters or absorbs toxic fumes from the air.

I suppose all of us have heard of the diffusion fiberboard that protects against poison gases and disease-laden particles, and gives some protection against radioactive fallout. This development—the result of cooperative United States Forest Products Laboratory and Army Chemical Corps research—is another example of how diversified is the agricultural research contribution.

I need not remind Senators of the work on packaging of war shipments during World War II, or the application of Forest Service photogrammetry experience, and smoke-jumping techniques, to military needs.

Currently, forest fire-fighting research is opening interesting possibilities for the use of helicopters in protecting defense installations. Also of current interest are the studies underway on cellulose nitrate as a means of improving forest sources of raw materials needed for Army Ordnance.

There are many other lines of research that hold promise for future military application. We shall hear about them as time goes on.

I regret that the President, in both his budget message and his special farm message, failed to fully recognize and emphasize a problem which, from the standpoint of its benefits to agriculture, is just as important, if not more important, than the amount of money included in the budget. I refer to the need for a long range program of agricultural research. So far, we have operated on a year-to-year basis. Perhaps under existing authority, the Department can operate only on this basis. But the fact remains that the need to abandon this year-to-year approach and substitute for it a well-planned, coordinated program is just as acute, if not more so, than ever before.

The Nation's farm organizations and commodity groups are urgently recommending the establishment of a long range research program. They cannot, by themselves, achieve this sound objective. Certainly they must have the help of the Congress, and just as importantly, the executive agencies which plan these activities and schedule funds to carry them out.

We need, desperately, to decide just what we want to achieve through research for agriculture. We must then lay out a program which offers the best hope of achieving the desired result and, more importantly, standing by the program once it has been decided upon. Research is a continuing year-to-year activity. Much research work cannot be done on a short-term basis. We cannot turn research on and off without sacrificing many of the potential benefits or, I might add, without substantial loss through wasted motion and inefficient operation.

We can never achieve a research program that gives sufficient emphasis to fundamental research as long as we operate as we do now. Under a long range, planned program scientists could be assigned over a period of years to study specific problems which could return untold benefits to the farmers and to the country as a whole.

The payoff from research can be big. All of you, I am sure, recall the story of frozen concentrated orange juice mentioned earlier. This one successful research project restored stability to the citrus industry, created an entirely new industry producing a product which has won wide consumer acceptance. Without a doubt the tax revenue each year from the new wealth created by this one example of agricultural research is many times the original investment. Research is the spearhead of economic growth in a modern industrial nation and may be the most important single factor in the economic growth in the United States. What research has done for other industries, it can do for agriculture.

I am not underestimating the value of the type of research work we now have. But the point is that our present research program is inadequate. It does not allow, either in planning or financing, the scientists to attack many of the basic research problems—the projects which are likely to pay off in tremendous permanent gains for agriculture. Basic research is by nature a time-consuming, long-range business. Usually the payoff is many years away, but once achieved, the results fully justify the detailed planning and the long-range approach.

We need to know a great deal more about the cultivated plants which produce our food and fiber. Why does cotton shed many of the buds which appear on a stalk of cotton? Why is one plant disease resistant while another is not? What hidden treasures do the wild or uncultivated species of plants hold? Are not these things worthy of investigation?

We need a program projected over some set period—5 or 10 years, perhaps. No sudden increase in appropriations would be required. Rather, it would be a gradual increase, with the appropriation geared to the ability of the Department of Agriculture, within its present framework, to make maximum use of funds voted. We all know that capable staffs cannot be recruited overnight. Nor can necessary facilities be created in a matter of days. What is needed, I repeat, are moderate annual appropriation increases, scheduled to come as fast as they can be used in an orderly expansion of research work; changes in recruiting procedures which would permit hiring in January of June college graduates; surveys to determine facilities needed for future expansion; and realinement in salary schedules commensurate with responsibility and to more nearly meet industrial pay scales.

Our research people will have a blueprint in front of them from which to make their long-range plans. They can, with confidence that their plans will not be disrupted by wide fluctuations in appropriations, lay out basic research programs to extend into the future. Scientists can delve into some of the more fundamental problems. They can point

the way to a steady improvement in agriculture's position.

Agricultural research is not a partisan issue and I want to stress that it benefits not only the farmer but also the consumer and the Nation as a whole. I am proud that the Research and Marketing Act, which conceived the research program as it exists today, was passed by a unanimous vote of both Houses of Congress.

I am impressed by the fact that it has had the unanimous support of our farm and commodity organizations—practical farmers who see research, as I do, pointing the way toward a more stable prosperous agriculture.

I am pleased that the Republicans are wholeheartedly for agricultural research. I sincerely hope that the President's request for additional funds in the budget is a forerunner of a broad, long-range research program.

Mr. President, what I have said with reference to the long-range program and what I have said with reference to the need of getting competent young scientists is all the more apropos in view of the demands and needs of the military, and of the great industrial companies and corporations of our country, who are bidding the top prices for these prime young men as they come out of colleges and other training centers, which are especially equipping them for this purpose. We who are interested in agriculture, and those of us from States where it is such an important part of the economy of our people, must be alert to this added, long-range need, to provide and put into effect what I term a long-range program, and must make certain that money is provided to get these young men and to divert their interests into these channels, and to train them, as well as to get them over the years.

Otherwise such a program, competition for scientists being what it is, is bound to lag. I believe the present research program is making fine progress. We have had a substantial increase and expansion of its activities. However, the long-range program is absolutely necessary, and I believe the next few years will be very critical years.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. STENNIS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANIEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANIEL. Mr. President, I send to the desk an amendment to the pending bill, H. R. 10875, on behalf of myself, the senior Senator from Texas [Mr. JOHNSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER. Without objection, the amendment will be received and will lie on the table.

Mr. DANIEL. Mr. President, this amendment would establish a price support for grain sorghums, barley, oats, and rye at five percentage points less than that for corn in the commercial corn-producing area during each of the years 1956 and 1957 for those farmers who place 15 percent of their base acreage into the soil bank. It changes the committee bill by making the same provision applicable to both years instead of only to 1957 and by requiring an acreage reserve program for feed grains without regard to whether one is made effective for corn.

In substance, the amendment would restore the House language on feed grains except that during 1956, those farmers who do not place 15 percent of their base acreage in the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year. The Senate committee wisely inserted this provision in the bill to maintain a fair competitive relationship with noncooperators for corn, and our amendment adopts that policy. It would also leave intact the committee provision that if price support is made available in 1957 to corn producers not meeting acreage and soil-bank participation requirements, price support must be made available to noncomplying feed grain producers on the same relative basis. As to corn produced outside the commercial area, no change would be made in the Senate committee provision.

Mr. President, even in the face of increased corn production flowing from the Agriculture Department's liberal policy toward corn farmers, these feed grain producers want to cut down their acreage because they recognize the serious problems that a glutted feed market will bring. They are willing to do their part toward the solution of the existing surplus condition, but they cannot afford to curtail production at 76 percent of parity—their margin of profit is so small they will be forced to plant every acre not devoted to the basic crops. With an increased support level and participation in the soil bank, they will be able to make a fair return on a limited acreage.

If this amendment is approved, each farmer can figure for himself what 15 percent of his base acreage will be. Most of the grain sorghums produced in the Southwest are planted about the first of June, and I believe the planting season is at least that late or later for oats, barley, and rye. If the Agriculture Department acts promptly, data regarding acreage history will be available in a very short time, since acreage allotments on the basic crops were in effect for the last 2 years and much information is readily obtainable. Therefore, little or no plow-up would be necessary for those farmers desiring to participate in the program.

This is borne out, Mr. President, by telegrams which I have received from grain sorghum producers in the Texas Panhandle.

Mr. R. G. Peeler, a farmer in Castro County, president of the Grain Sorghum Producers Association, sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HEREFORD, TEX., *May 15, 1946.*

Hon. PRICE DANIEL,
United States Senator From Texas,
Washintgon, D. C.:

The planting of grain sorghums is negligible at this time in west Texas, Panhandle of Texas, New Mexico, Oklahoma, Colorado and Kansas. These areas produce approximately 80 percent of all grain sorghums grown in the Nation. Normal planting time for these areas does not start until the last week in May and extends through June. If law is enacted soon requiring a layout in acreage on grain sorghums, do not believe plow up will be necessary because farmers in these areas are expecting and anticipating the enactment of this section of the farm bill. We do not believe it will be any more trouble to attain past history on grain sorghums at this time than at any other season of the year. Farmers in this area will be glad to participate in the soil bank program to cut down production. It, however, is imperative that farmers complying with the soil bank be supported at 81 percent of parity and those not complying at 76 percent of parity so as to stay in business and remain on their farms. The measuring of feed grains to assure compliance with the soil bank provision will not be any more difficult to administer than wheat and cotton, and can be done in a minimum length of time at $2.00 per farmer plus 1 cent per acre, by the usual contracting method. Your active support is appreciated by the feed grain farmers in this area and it is hoped legislation will be enacted soon that will give them some much needed relief.

R. G. PEELER,
Farmer, Castro County, Tex., and President of Grain Sorghum Producers Association.

Mr. DANIEL. Mr. President, Mr. Frank Moore, of Plainview, a farmer in Hale County, Tex., also sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PLAINVIEW, TEX., *May 15, 1956.*

Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.

DEAR SIR: We are watching the new farm bill with keen interest as we have about 45 more days in which to plant our grain sorghum and as not more than 1 percent of the grain sorghums have been planted to date we can easily comply with the soil bank acreage reserve. We grain farmers are willing and want to reduce our acreage in order that a huge surplus will be avoided and we can start operating in the black again with an increase in price support. It will not be very difficult to figure the base acreage as we have been planting our remaining acres after our basic crops have been planted in 1954 and 1955. Many of us must have relief this year or we will not be farming in 1957. Anything you can do to help relieve our desperate situation will be greatly appreciated.

Sincerely,

FRANK MOORE,
Farmer, Hale County, Tex.

Mr. DANIEL. Mr. President, Mr. Melvin Glanz, president of the Hale County Grain Sorghum Producers Association, also sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PLAINVIEW, TEX., *May 15, 1956.*

Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.:

Regarding the price support provisions contained in the farm bill now being considered by the Senate I should like to point out the danger of seriously increasing the already large surplus of feed grains if the acreage of such crops is unrestricted in 1956 as approved by the Senate Agriculture Committee. Less than 1 percent of the grain sorghum acreages of this area which produce 60 percent of the Nation's grain sorghums have been planted. The normal planting extends over the next 45 days with the greatest acreage planted between June 1 to the 15th. Therefore, there is still time to include the 1956 crop in the acreage reserve provisions of the soil bank. We farmers are anxious that a program which will halt the ever-increasing surplus of such feed grain be adopted. We also need relief from the present disastrously low price of feed grains which is the result of yearly acreage increases in feed grains as acreages have been reduced in the so-called five basic commodities. I believe these two needs of the feed grain producers can be accomplished if the 1957 price support and acreage control provisions of the present measure approved is adopted for the 1956 crop year.

Yours truly,

MELVIN A. GLANZ,
President, Hale County Grain Sorghum Producers Association.

Mr. DANIEL. Mr. President, I have a number of other telegrams which I shall not take the time of the Senate to read, but they all substantiate what is stated in the telegrams I have just placed in the RECORD.

Mr. Peeler and the other gentlemen whose telegrams I have placed in the RECORD speak not only for themselves, and for the growers in their area, but also for the members of their association in New Mexico, Oklahoma, Kansas, and Colorado.

To summarize, Mr. President, I believe members of the Agriculture Committee and its distinguished Chairman, the Senator from Louisiana [Mr. ELLENDER], have done excellent work in dealing with this difficult feed grain problem in view of their desire to report out a new farm bill as promptly as possible. They should be commended by the Senate and the entire farm population for their efforts to provide a fair competitive relationship between corn in the commercial area and other feed grains. I believe, however, that feed grain producers who want to do so should be given an opportunity this year to reduce their acreage and participate in the soil bank.

One of the best arguments for the amendment we have proposed is contained in the minority report on the bill where it is stated:

The Department of Agriculture estimates that feed grains equivalent to 800 million bushels of corn by weight were produced in 1954 and 1955 on land taken out of controlled crops. Many of these grain producers have gone into livestock, dairy, and poultry production and have helped to depress the livestock, dairy, and poultry markets.

Mr. President, that is the same point which I earlier stated this afternoon in the exchange with the Senator from Vermont [Mr. AIKEN]. He said that the poultry, dairy, and livestock industries might be hurt by the increase in the price of feed grains.

Actually, those industries have already reported that they are being hurt by the fact that the producers of excessive feed grains are going into the business, and feeding to their own cattle, hogs, and poultry the feed they would like this year to reduce. They want to get out of that kind of business. They are glutting the livestock market already and are hurting the producers of livestock by reason of the fact that in order to make ends meet, they must go into the business and compete with the livestock people themselves.

Mr. President, the feed grain producers want to do something to correct this situation. I hope the Congress of the United States will help them to attain this worthy objective.

REORGANIZATION PLAN NO. 2 OF 1956, RELATING TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 406)

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Chair lays before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 2 of 1956.

The Chair is informed that the message, also transmitted to the House, has been read in that body and referred.

Without objection, the message, with the accompanying plan, will be printed in the RECORD without reading and appropriately referred.

The message from the President and Reorganization Plan No. 2, of 1956, were referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1956, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended. The reorganization plan is designed to provide the Federal Savings and Loan Insurance Corporation with its own management, independent of the Federal Home Loan Bank Board. This organizational change accords with a recommendation of the second Commission on Organization of the Executive Branch of the Government.

The management of the Federal Savings and Loan Insurance Corporation has been merged with and identical to that of the Federal Home Loan Bank System since the Corporation was established in 1934. It may well be that this identity of mangement was useful during the formative years of the Federal Home Loan Bank System and of the program of the Federal Savings and Loan Insurance Corporation. I am satisfied, however, that the time has come to separate the two agencies. Reorganization Plan No. 2 of 1956 establishes, separate from the Federal Home Loan Bank Board, a new board of trustees of the Federal Savings and Loan Insurance Corporation; vests the management of the Corporation in that board of trustees; and makes appropriate transfers of the functions of the Federal Home Loan Bank Board to the board of trustees and to the Corporation.

The present responsibilities of the Federal Home Loan Bank Board are principally, (1) supervision and regulation of the 11 home-loan banks established pursuant to the Federal Home Loan Bank Act of July 22, 1932, and of member institutions thereof, (2) chartering, supervision, and regulation of Federal savings and loan associations, under the Home Owners' Loan Act of 1933, and (3) beginning in 1934, management of the Federal Savings and Loan Insurance Corporation, together with related supervision and regulation of insured institutions.

The reorganization plan is directed at the third of the foregoing, which is essentially a responsibility for the insurance of individual accounts in institutions of the savings and loan type, including concomitant supervision and regulation of insured institutions. Thus, the Federal Home Loan Bank Board will retain both its original functions relating to home-loan banks and their member institutions, and its functions, under the Home Owners' Loan Act, of chartering, supervision, and regulation of Federal savings and loan associations.

The financial soundness of the insurance program of the Federal Savings and Loan Insurance Corporation is of major and increasing interest to the Government. Under the law the Treasury may be called upon to purchase up to $750 million in obligations of the Corporation. The volume of savings insured by the Corporation has increased nearly sixfold in the last 10 years and now stands at approximately $28 billion.

In its audit reports submitted to the Congress from time to time the General Accounting Office has questioned the desirability of permitting an agency having the authority to promote and charter Federal savings and loan associations, which are required by law to be insured, also to administer the insurance underwriting. The General Accounting Office has stated that experience has shown that the responsibilities for those functions are inherently conflicting and has recommended that the Congress consider separating the Federal Savings and Loan Insurance Corporation from the Home Loan Bank Board. The second Commission on Organization of the Executive Branch of the Government, in its report to the Congress on the subject of lending agencies, stated that there should be a clear separation of the management of the two agencies.

I am persuaded that separation of the two programs will enhance the quality of the management of the Corporation. It will promote continuing public confidence in the savings and loan insurance program and will better safeguard the interests of the Corporation and of the

Treasury in minimizing the danger of losses arising from the contingent insurance liability.

The primary responsibility of the Federad Home Loan Bank Board will continue to be the encouragement of local thrift associations and the maintenance of a stable flow of funds for home financing by its member institutions. The reorganization plan will enhance the Board's ability to perform these functions by relieving it of its present conflicting responsibility for administering Federal insurance of savings and loan associations.

Reorganization Plan No. 2 of 1956 provides that the Chairman of the Federal Home Loan Bank Board shall be one of the three members of the board of trustees of the Federal Savings and Loan Insurance Corporation. That arrangement is considered desirable to foster coordination of the policies of the Corporation and of the Federal Home Loan Bank Board. Moreover, the arrangement corresponds generally to the interrelationship of the Federal Deposit Insurance Corporation, which insures deposits of commercial banks, and the Comptroller of the Currency, who charters and supervises national banks and is a member of the Board of Directors of that Corporation but does not otherwise control it.

Relationships of the Federal Savings and Loan Advisory Council will be affected by the reorganization plan to the extent that the Council will confer with the Corporation, in lieu of the Federal Home Loan Bank Board, on special conditions affecting the Corporation and also will direct to the Corporation those of the Council's recommendations and requests for information which pertain to the Corporation. The plan does not otherwise affect the Council or the functions of the Federal Home Loan Bank Board with respect to the Council.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1956 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers as therein provided. The rates of compensation so fixed are those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I believe that the reorganizations made by the Reorganization Plan No. 2 of 1956 will in the long run tend to reduce expenditures of the Government by reason of the more effective protection of the Government's large financial interest in the affairs of the Federal Savings and Loan Insurance Corporation and of the institutions insured by the Corporation. It is not practicable, however, to itemize at this time the reduction in expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan. There will be a modest increase in the overall operating expenses of the Corporation and of the Federal Home Loan Bank Board, which are financed from the receipts of assessments, fees, premiums, and investment income of the Corporation and of the Board, and not from ordinary Government appropriations.

The insured institutions, the holders of insured accounts, and the Federal Government all have a vital stake in the insurance program of the Federal Savings and Loan Insurance Corporation. Reorganization Plan No. 2 of 1956 will substantially benefit all of them. I urge the Congress to allow the reorganization plan to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 17, 1956.*

REORGANIZATION PLAN NO. 2 OF 1956

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 17, 1956, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 1. Board of trustees: (a) There is hereby established the Board of Trustees of the Federal Savings and Loan Insurance Corporation (hereinafter referred to as the board of trustees).

(b) The board of trustees shall be composed of 3 members as follows: (1) 2 members, each of whom shall be appointed by the President by and with the advice and consent of the Senate and receive compensation at the rate now or hereafter prescribed by law for the chairman of the Federal Home Loan Bank Board, and (2) the Chairman of the Federal Home Loan Bank Board, ex officio. The President shall from time to time designate to be the chairman of the board of trustees one of the appointive members thereof.

SEC. 2. Transfer of functions: (a) There are hereby transferred to the board of trustees all functions of the Federal Home Loan Bank Board, including all functions of the Chairman thereof, with respect to directing and operating the Federal Savings and Loan Insurance Corporation (hereinafter referred to as the Corporation) and with respect to the appointment and the fixing of compensation of officers, employees, attorneys, and agents of the Corporation.

(b) Except as transferred by the provisions of section 2 (a) of this reorganization plan, and exclusive of the function of granting approval required under section 406 (a) of title IV of the National Housing Act, as amended (12 U. S. C. 1729 (a)), which function of approval shall remain with the Federal Home Loan Bank Board, all functions of that Board provided for in the said title IV, including all functions of any member or agent of that Board so provided for, and all other functions vested in or performed by that Board by reason of its responsibility to or for the Corporation, are hereby transferred to the Corporation.

SEC. 3. Status of the Corporation; authority of the President: (a) The Corporation, including the board of trustees, shall hereafter be separate from and, except as provided in section 2 (b) of this reorganization plan in regard to approval required under section 406 (a) of title IV of the National Housing Act, as amended, independent of the Federal Home Loan Bank Board; but nothing herein shall preclude the Corporation or the Federal Home Loan Bank Board, in respect of their respective functions after the provisions of this reorganization plan take effect, from utilizing the information, services, and facilities of the other under interagency arrangements authorized or permitted by law.

(b) The Corporation, including the board of trustees and all matters under the jurisdiction of the board of trustees, shall be subject to the direction and control of the President of the United States.

SEC. 4. Incidental transfers: (a) All assets, liabilities, contracts, commitments, property, records, personnel, and unexpended balances of appropriations, allocations, and other funds (including authorizations and allocations for administrative expenses), available or to be made available, of the Corporation shall remain with the Corporation.

(b) So much of the assets, liabilities, contracts, commitments, property, records, personnel, and unexpended balances of appropriations, allocations, and other funds (including authorizations and allocations for administrative expenses), available or to be made available, of the Federal Home Loan Bank Board as the Director of the Bureau of the Budget shall determine to relate primarily to the Corporation or to its functions (including the functions vested in the Corporation by statute, the functions transferred to the Corporation by the provisions of this reorganization plan, and the functions transferred to the board of trustees by the provisions of this reorganization plan) shall be transferred from the Federal Home Loan Bank Board to the Corporation at such time or times as the said Director shall direct.

(c) Such further measures and dispositions as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner as the Director shall direct and by such agencies as he shall designate.

SEC. 5. Effective date: The provisions of sections 2, 3, and 4 of this reorganization plan shall take effect on the first day following the day on which the second of the two appointive members of the Board of trustees first appointed under this reorganization plan enters upon office as such member.

RECESS TO 10 A. M. TOMORROW

Mr. DANIEL. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess, in accordance with the previous order, until 10 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 49 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, untill tomorrow, Friday, May 18, 1956, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of May 7), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Theodore C. Achilles, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru, vice Ellis O. Briggs.

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil, vice James Clement Dunn.

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

Giles S. Rich, of New York, to be associate judge of the United States Court of Customs

and Patent Appeals, vice Noble J. Johnson, elevated.

Noble J. Johnson, of Indiana, to be chief judge of the United States Court of Customs and Patent Appeals, vice Finis J. Garrett, resigned.

UNITED STATES CIRCUIT JUDGE

David T. Lewis, of Utah, to be United States circuit judge, 10th Circuit, vice Orie L. Phillips, retired.

UNITED STATES DISTRICT JUDGES

Frederick O. Mercer, of Illinois, to be United States district judge for the Southern District of Illinois, vice J. Leroy Adair, deceased.

Raymond J. Kelly, of Michigan, to be United States district judge for division No. 1, district of Alaska, for the term of 4 years, vice George W. Folta, deceased.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 17, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast been our guardian in the night, may we go forth into the hours of this new day with confidence, for Thou art our strength in weakness, our light in darkness, our joy in sorrow, and our hope in doubt and despair.

Grant that Thy loving kindness toward us may always be followed by our obedience toward Thee.

May this be a day when our hearts shall be kindled with an earnest desire to cultivate a spririt of friendship and good will toward a republic which is seeking a larger measure of freedom and security and a greater opportunity for growth and self-realization.

Inspire us with a sense of our need of Thy sustaining presence, for without the guidance of Thy divine spirit all our searchings and strivings for truth are futile and all our longings and labors for peace are fruitless.

Help us to hasten the coming of that blessed day when there shall be friendship and fraternity among all nations.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1823. An act to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 9 and 24 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) entitled "An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense."

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 3 minutes p. m.) the House stood in recess subject to the call of the Chair.

PROCEEDINGS DURING THE RECESS—JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS EXCELLENCY THE PRESIDENT OF INDONESIA

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 25 minutes p. m., the Doorkeeper announced the Vice President and Members of the United States Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Excellency the President of Indonesia, into the Chamber, the gentleman from Massachusetts, Mr. MCCORMACK; the gentleman from Massachusetts, Mr. MARTIN; the gentleman from South Carolina, Mr. RICHARDS; and the gentleman from Illinois, Mr. CHIPERFIELD.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Texas, Mr. JOHNSON; the Senator from Georgia, Mr. GEORGE; the Senator from California, Mr. KNOWLAND; and the Senator from Wisconsin, Mr. WILEY.

The Doorkeeper announced the following guests, who entered the Hall of the House of Representatives and took the seats reserved for them.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Chief Justice and Associate Justices of the United States Supreme Court.

The members of the President's Cabinet.

At 12 o'clock and 33 minutes p. m., the Doorkeeper announced His Excellency the President of Indonesia.

His Excellency the President of Indonesia, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the great pleasure, and I deem it a high honor to present to you the President of the Republic of Indonesia. [Applause, the Members rising.]

ADDRESS OF HIS EXCELLENCY PRESIDENT SUKARNO OF THE REPUBLIC OF INDONESIA

PRESIDENT SUKARNO. Mr. President and Mr. Speaker, I deem it a great honor and privilege to be able to address this honorable Congress, and I express my gratitude to you for this opportunity.

Standing here before you, Mr. President and Mr. Speaker, and before all the other honorable Members of this Congress, my thoughts, the thoughts of a man born in a cottage and grown up among poor people, go to the homes and hearts of the multitudes of the American people from all strata of your society, for whom you act as elected representatives. May I, therefore, convey to you and through you to the people of America, the most sincere greetings of the Indonesian people and their thanks for your past generous assistance, with the hope that this visit to the United States of America will foster closer relations between our two nations.

In our contemporary world, the impact of America is felt more and more. The influence of the American with his outlook, his ideas, his technical and scientific advances, reaches to almost every corner of Asia and Africa, whilst in America itself, Asia, the Asian and his personality, his ideals, the fruits of his labor, are gradually becoming a living reality. Americans and Indonesians are no longer strangers to each other. [Applause.] We know each other from the films; the beams of the radio reach into our very homes, and the magazines and daily press provoke us to think of each other. These cultural exchanges, coupled with the products of your industries and the fruits of our soil, have kept us always much closer together than the thousands of sea miles which separate our two countries.

I have come to the United States, as I said yesterday, to see your country with my own eyes and to observe the achievements of the great American Nation. I have come here to confirm or to modify the impressions of your country which I have collected from a distance over many years. But above all, I have come here to learn something from America—from America not merely as a place, not merely as a nation, but America as a state of mind, America as the center of an idea. [Applause.]

It was this very America which was in fact the first product of nationalism, of anticolonialism, and of the principle of